FBIS DAILY REPORT

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FORMER BOLIVIAN PRESIDENT GARCIA MEZA ARRIVES

PY121758 Buenos Aires DYN in Spanish 1612 GMT 12 Oct 82

[Text] Buenos Aires, 12 Oct (DYN) -- The former Bolivian de facto president, Gen Luis Garcia Meza, unexpectedly arrived here this afternoon on the same flight in which the Argentine politicians who attended Hernan Siles Zuazo's inauguration returned from La Paz.

Garcia Meza did not say that he was coming as an exile but noted that he will stay in Argentina and that he will call a press conference soon "to say everything he has to say" about the Bolivian process. Garcia Meza was met by only one person and left the airport unguarded.

ISRAELI MINISTRY OF DEFENSE OFFICIAL ARRIVES

PY121303 Buenos Aires DYN in Spanish 1457 GMT 10 Oct 82

[Text] Buenos Aires, 10 Oct (DYN) -- Col Yosej Sadot, chief of the Latin American section of the Israeli Ministry of Defense, arrived in Argentina today, but it is not known if his visit is official. The visitor, who made no formal statements to the press, was met by Israeli Embassy officials at the Ezeiza International Airport.

SCIENTIFIC RELATIONS WITH UK TERMED 'CORDIAL'

PY081711 Buenos Aires DYN in Spanish 1553 GMT 6 Oct 82

[Excerpt] Buenos Aires, 6 Oct (DYN) -- Capt Roberto Martinez Abal, national director of the Argentine Antarctic Institute, affirmed today that "there is great cordiality and cooperation in the scientific area" between Argentina and Great Britain.

Captain Abal made declarations to journalists at Ezeiza Airport upon his return from the FRG where he participated in a meeting to coordinate the Biomass program in which all countries with interests in the Antarctica participate. The Biomass program is aimed at studying living creatures on the white continent and determining which species can be exploited and to what extent.

Captain Abal said that during the meeting a German newspaper "published an article saying that Argentine and British scientists sat amiably around a table to discuss Antarctic problems with scientists of other countries."

THREATS TO MAGAZINE EDITOR LINKED TO DUPONT CASE

PY112131 Buenos Aires BUENOS AIRES HERALD in English 11 Oct 82 p 5

[Text] The editor of QUORUM magazine, Jose Palozzi, said in a statement released yesterday evening he and his wife will stay in Argentina despite having received anonymous threats.

Palozzi, an Italian-born journalist who arrived in Argentina in 1955, has said his wife was attacked on Wednesday near the downtown corner of San Martin and Tucuman by a man who punched her in the back twice before running away.

Explaining his decision to stay, Palozzi said in yesterday's statement "we would be betraying our duty as journalist if we gave up the fight we started only five weeks ago with our magazine QUORUM, at the service of Argentina and its kindhearted people." Despite the fact that "those who have threatened us have the power to carry out their threats and thus put an end to our lives," said Palozzi, "the cleaning-up drive we have started and for which civilian sectors cry out louder and louder every day will not stop."

The journalist said he and his wife were scared "because we fear a slow and brutal death like the one the usual torturers and killers know how to inflict..."

Palozzi said on Saturday an anonymous caller had told him Marcelo Dupont's murder "was a warning" and gave him a 48-hour deadline to leave Argentina.

QUORUM'S five issues so far have focused mostly on the P-2 Lodge, and Palozzi has reprinted photostats of the lodge's original membership lists found by Italian judges in Arezzo. The lists include "Eduardo Massera, Calle Aguero 2465, fourth floor, BA"; "Barttfeld, Dr Federico -- Gorostiaga 1542 -- Buenos Aires," and, apart from the former head of the navy and the current ambassador to Romania, other personalities as former Social Welfare Minister Jose Lopez Rega and the late Raul Lastiri.

BRIEFS

FOREIGN RESERVES INCREASE -- The Central Bank's foreign reserves rose 55 million dollars during the first week of October, the Central Bank reported yesterday. Income was 113 million dollars and expenditures were 58 million dollars. The Treasury was able to repay the Central Bank 2.38 trillion (million million) pesos in debts during the week. [Text] [Buenos Aires BUENOS AIRES HERALD in English 9 Oct 82 p 9 PY]

ALGERIAN AMBASSADOR PRESENTS CREDENTIALS -- Buenos Aires, 5 Oct (DYN) -- New Algerian Ambassador to Argentina Abdelmajid Aouchiche presented his credential today to President Reynaldo Bignone. Present at the ceremony which took place at Government Palace was Interior Minister and acting Foreign Minister Llamil Reston. [Buenos Aires DYN in Spanish 1703 GMT 5 Oct 82 PY]

GENDARMERIE DIRECTOR SWORN IN -- This morning Army Commander Lt Gen Cristino Nicolaides swore in new Gendarmerie Director Gen Mario Alfredo Piotti. [Buenos Aires Domestic Service in Spanish 200 GMT 4 Oct 82 PY]

RISE IN GDP -- (NA) -- The gross domestic product (GDP) rose for the first time since early 1981, Economy Ministry sources announced. The GDP rose one percent during the third quarter of this year, due to a slight rise in industrial activity over the third quarter last year. But the building sector registered a 10 percent drop during the period, while farming and industry showed a slight improvement over last year. [Text] [Buenos Aires BUENOS AIRES HERALD in English 6 Oct 82 p 11 PY]

COMMODORO RIVADAVIA OIL WELL -- Commodoro Rivadavia (DYN) -- YPF [Government Oil Deposits] technicians working six kilometres northwest of downtown Commodoro Rivadavia have struck a well yielding 11,000 litres of oil and 2,700 cubic metres of natural gas per hour, it was announced yesterday. The well, called No 2267, is located in an area rated as having a "declining output." The technicians working for the state-owned oil company said the yield of the 2,258-metre well is "unusual" for the area in which it was drilled. [Text] [Buenos Aires BUENOS AIRES HERALD in English 4 Oct 82 p 5 PY]

RETAIL, WHOLESALE PRICE INDEX -- Retail prices increased by 17.1 percent and wholesale prices by 19 percent during September 1982, it was reported during a conference that was granted by Economy Secretary Aldo Luis Douclair. [Buenos Aires Domestic Service in Spanish 1030 GMT 8 Oct 82 PY]

JANUARY-AUGUST FRUIT EXPORTS -- During January-August 1982, Argentine fruit exports totalled 14,861,000 boxes of apples, pears, grapefruits, oranges, lemons, grapes, plums, tangerines and peaches. The main buyers of Argentine fruits were Brazil, the Netherlands and Switzerland, followed by France, Norway, Italy and Finland. [Text] [Buenos Aires Domestic Service in Spanish 1600 GMT 7 Oct 82 PY]

PRESIDENT SILES OPENS COPPPAL MEETING 12 OCT

PY121359 La Paz Cadena Panamericana in Spanish 0000 GMT 12 Oct 82

[Excerpt] Today, when inaugurating the meeting of the Permanent Conference of Latin American Political Parties (COPPPAL) at the Sheraton hotel in La Paz, constitutional President Hernan Siles Zuazo requested international solidarity in order to overcome the century-old landlocked situation of Bolivia.

At the beginning of his speech, the Bolivian president referred to the Bolivian peoples' determination to live in freedom. [Begin recording] We are not only honored to be able to inaugurate this new meeting of the COPPPAL in La Paz, but are also very happy to share with you the recovery of our democratic rights as the result of the heroic struggle of our people which once again has demonstrated its maturity and determination to live in freedom.

We have achieved this peaceful transition from dictatorship to democracy as we promised when we started to resist the bloodshed and violence which started in our country just over 2 years ago. We announced this transition process when we visited many of you to inform you of what had happened in our fatherland and to request your solidarity. [end recording]

Later on, Hernan Siles Zuazo thanked everyone for the solidarity with Bolivia during the country's 2-year struggle to return to democracy.

[Begin recording] A solidarity which today we are very happy to be able to personally thank you for and at the same time we request that same solidarity in order to overcome our century-old landlocked position. We believe that the moments experienced by the Bolivian peoples during the past 2 years has its historic importance. The confrontation of a bloody dictatorship with a [word indistinct] people but with an idea of its rights and an unsurmountable desire to struggle, which has led them to this victory, must make us reflect seriously in order to draw up methods for the defense of the peoples' rights. [end recording]

He ended by pointing out that the events which have taken place in Bolivia will have their repercussion in the Latin American Continent. [Begin recording] The importance of having recovered the democratic integrity of the member countries of the Andean Pact goes far beyond the national framework and will have its repercussion in the similar struggle that other countries of our continent may experience. It is up to us to overcome a situation of general crisis which we have inherited and which is the consequence of the neglected national political program which we intend to resume so that the Bolivian people may establish a pluralist society with social justice.

In declaring this important meeting in session, I voice my hopes that we will be able to reach conclusions which will allow us to reorganize ourselves from the political point of view in order to face new continental circumstances. [end recording]

The decision to support the struggle for democracy in the Latin American countries was mentioned by Pedro Ojeda Paullada, president of the COPPPAL, during his welcoming speech at the Sheration Hotel in this capital. The political leader, who is a Mexican citizen, asserted that the COPPPAL will continue to be the forum where the pressures exerted on governments would be denounced.

Ramirez' Remarks to COPPPAL

PY121451 La Paz Cadena Panamericana in Spanish 0000 GMT 12 Oct 82

[Text] The Permanent Conference of Latin American Political Parties [COPPPAL] is a remarkable example of what a concerted action of Latin American political parties can do in promoting awareness of Latin American problems.

This statement was made to Panamericana by Sergio Ramirez, a member of the Junta of the Governments of National Reconstruction of Nicaragua. The visitor stated: [Begin recording] Nicaragua is a founding member of the COPPPAL. We view it as a remarkable example of what a concerted action of Latin American democratic political parties can do in promoting awareness of Latin American problems.

We hold the vice presidency of COPPPAL and we are very satisfied to have been able to carry out a political task within this organization to help it get on its feet. [end recording]

Later on, Ramirez said that the meeting of approximately 100 political parties of the continent here in La Paz is currently reviewing the problems that are being experienced by Latin America. [begin recording] The current problems of Latin America will be studied and this is also a meeting for greeting Bolivia, because there has been a change to democracy in Bolivia. The meeting will also serve to strengthen the new Bolivian democracy and we will, of course, discuss other topics that pertain to Latin America, especially the situation in Central America. [end recording]

GOVERNMENT RESUMES RELATIONS WITH NICARAGUA

PY130122 Buenos Aires LATIN in Spanish 2343 GMT 12 Oct 82

[Text] La Paz, 12 Oct (LATIN-REUTER) -- Bolivia and Nicaragua today resumed their diplomatic relations, which had been interrupted 2 years ago as a consequence of the military coup that placed Gen Luis Garcia Meza in power.

An official Foreign Ministry communique states that relations were resumed today during a meeting between Foreign Minister Mario Velarde and Commander Sergio Ramirez, a member of Nicaragua's Government Junta. Ramirez, who is heading a delegation of his country's government, arrived on Saturday in Bolivia to attend, the next day, the inauguration of Hernan Siles Zuazo as constitutional president of Bolivia.

VELARDE DORADO ON NEED TO CHANGE FOREIGN POLICY

PY121946 La Paz Radio Illimani Network in Spanish 1700 GMT 12 Oct 82

[Excerpt] Bolivian Foreign Minister Mario Velarde Dorado today asserted the need to set the country's foreign policy on a different course. The minister made this statement during a ceremony in which his predecessor Agustin Saavedra Weise handed the Foreign Ministry over to him. The ceremony took place at 0900 at the Hall of Honors of this ministry.

He stated that the change of course whould be made in view of the existence of several power centers that influence current international events. Velarde Dorado said Bolivia should reassert an independent political position without neglecting the solidarity imposed on us for belonging to the Western Hemisphere, to the great family of the Third World and to the nonaligned countries, and taking into account the new political, economic and social guidelines which will be established by the legitimate government of constitutional President Hernan Siles Zuazo. The foreign minister reasserted his belief that nothing positive will be achieved without the necessary institutionalization, democratization and moralization of the state which the Bolivian people firmly demand.

GOVERNMENT PLEDGES TO KEEP MEDIA WELL-INFORMED

PY121431 La Paz Radio Illimani Network in Spanish 1700 GMT 11 Oct 82

[Text] President Siles Suazo stated that an adequate relationship between the government and the news media will be established in order to make all information on official activities available to the media so that it will be able to inform the people.

The president made this statement when he explained that he had not called for any press conference today such as some media circles had stated. Siles Zuazo stated that at this moment he is analyzing various problems and that for the time being he did not have any spare time to hold a press conference.

HAVANA REPORTS SILES PLANS FOR 'POPULAR' CABINET

PA121842 Havana Quechua to Bolivia, Ecuador and Peru 2200 GMT 7 Oct 82

[Text] [Broadcast in progress] reiterating his promises, Bolivian President-elect Hernan Siles Zuazo has said that his government will be clearly popular. He has also reportedly said that his future cabinet will be composed of representatives of all of the country's sectors and that, most especially, they will be also members of the People's Democratic Union and the Bolivian Labor Federation.

Siles Zuazo has said that his government will be very complete and sovereign and will not, under any pretext, allow foreign meddling in Bolivia's internal affairs. Siles added that Bolivia will initiate a policy within the Movement of Nonaligned Countries in order to receive support [words indistinct].

Siles has spent 2 years in exile in Lima. We have great economic problems and he will make every necessary effort to bring progress to the nation. He also called on the Bolivian people to help him during his tenure to solve the great problems caused by the rampant inflation plaguing the people.

Siles said very emphatically that he will sternly fight wrongdoing, the hunger suffered by the poor and the (?lack of institutionality). He said he will help private enterprise if it reinvests its capital for Bolivia's benefit.

It has been learned from Lima that Siles visited Belaunde Terry at the Presidential Palace and that the (?Mariscal Nieto) escort battalion gave Siles military honors. It has also been learned that Ecuadorean President Oswaldo Hurtado has asked Congress for permission to go to Bolivia to attend Siles' swearing-in.

MINISTER ABOLISHES MILITARY-PEASANT PACT

PY122256 Paris AFP in Spanish 1616 GMT 12 Oct 82

[Text] La Paz, 12 Oct (AFP) -- Bolivian Minister of Agriculture, Livestock and Campesino Affairs Zenon Barrientos Mamani has abolished the so-called military-peasant pact which has been in effect since the military coup of 4 November 1964. He feels that the pact is not in keeping with the interests of the agrarian workers.

In a speech delivered on assuming his post, Barrientos said that from Bolivia we will begin the struggle for the liberation of the Latin American peasants.

He said that all arable land must be transferred to the peasants as soon as possible so as not to repeat the mistaken Mexican experience where agrarian titles are still being granted after more than 60 years and it does not look like the task will be concluded for another 6 decades. He said that the same thing has been happening in Bolivia since the agrarian reform of 1953, but that now the time has come to promote the agrarian revolution.

The minister and leader of the National Revolutionary Movement of the Left, the party headed by current President Hernan Siles Zuazo, said that he will be a zealous defender of the coca plantations and an implacable enemy of cocaine production.

On concluding his speech, the minister said that agricultural leaders will no longer be designated from the top at the Ministry of Campesino Affairs. The ministry will not promote cooperativism either, but the Ayllu (Indian communities) which existed in the Incan society.

NEW ARMY CHIEF TO CLEAN UP ARMY'S IMAGE

PY121114 La Paz Cadena Panamericana in Spanish 0000 GMT 12 Oct 82

[Text] The new commander in chief of the Army, Maj Gen Simon Sejas Tordoya, has asserted that every possible measure will be taken in order to clean up the army's image, which has been blackened by some bad men within the military, in the international sphere.

Referring to this topic, Sejas Tordoya made the following statements: [Begin recording] We will make every effort and give all our dedication to serve our people. We will dedicate ourselves exclusively to our profession, our military profession, in order to seek professional improvement that will allow us to carry out our specific role, and above all, to seek with every means available to the institution so that the institution [word indistinct].

He also said that the return of the military to their garrisons means that we are going to faithfully abide by the Constitution. [Begin recording] [Sejas] I am sure that my comrades in arms will understand that it is evident that the cycle of the military has ended.

[Reporter] This means that President Siles Zuazo will be able to have an easy mind during these 4 years.

[Sejas] Yes sir, because we have the firm purpose of seeking the improvement of the armed forces, in this case that of the army in particular. [end recording]

He also indicated that the list of promotions and posts will be released at the end of [word indistinct], but not before.

ARMED FORCES CHIEF SAYS 'NO MORE COUPS'

PY121200 La Paz Cadena Panamericana in Spanish 0000 GMT 12 Oct 82

[Text] The constitutional president of the republic, Hernan Siles Zuazo, today at 1800 installed the commander in chief of the nation's armed forces. Radio Panamericana's reporter interviewed the new commander in chief of the armed forces, Maj Gen Alfredo Villarroel Barja, immediately after the ceremony had concluded.

Villarroel stated that the role of the armed forces will now be carried out as specified by the Constitution and the Armed Forces Charter. He also said that the nation's armed forces fully support the democratic and constitutional process that began yesterday, Sunday, when Siles Zuazo and Paz Zamora were installed.

Answering questions put to him by the press, he asserted that coups d'etat have now been completely eradicated from the fatherland.

Following is the conversation that the commander in chief held with the journalists that are accredited to Government House:

[Begin recording] [Villarroel] Well, the president has been installed at the will and desire of the people and also at the desire of the armed force. As of today, I and all Bolivians would like...

[Reporter -- interrupting] Have coups d'etat definitely been done away within Bolivia?

[Villarroel] In this respect, yes, that is my desire. Because it has been the will of the people that our country should be run as a democracy. [end recording]

NEW AIR FORCE CHIEF DISCUSSES RESPONSIBILITIES

PY121202 La Paz Cadena Panamericana in Spanish 0000 GMT 12 Oct 82

[Text] The new commander in chief of the air force, Brig Gen Juan Munoz Revollo, who replaces Gen Natalio Morales Mosquera, has said that there is absolute unity within his force.

Answering Panamericana's reporter, Munoz said the following: [Begin recording] My job in the air force will be the same as was carried out by all the commanders of the force: To lead the air force in its overall tactics, train our pilots and all our personnel so that they will be ready to defend national sovereignty. [end recording]

PLO DELEGATE VIEWS ESTABLISHMENT OF RELATIONS

PY122210 Paris AFP in Spanish 1546 GMT 11 Oct 82

[Text] La Paz, 11 Oct (AFP) -- (Is'am Busaysu), who is responsible for PLO relations with Latin American countries, told AFP today that the new Bolivian Government needs a little more time before considering the formal establishment of relations with the PLO.

According to (Busaysu), the PLO can do much to channel important economic-financial aid from the Arab countries to Bolivia and friendly Latin American countries. We are ready for any kind of cooperation to achieve greater rapprochment between the Arab world and the new Bolivian Government, he added.

The presence of a PLO delegate and of a member of the Nicaraguan Sandinist Government marked an important point in the inauguration ceremony of President Hernan Siles Zuazo on Sunday. (Busaysu) stated that the Palestinians pay special attention to Latin American support for the cause of the PLO.

RODRIGUEZ DELIVERS CASTRO MESSAGE TO SILES ZUAZO

FL111335 Havana Domestic Service in Spanish 1145 GMT 11 Oct 82

[Text] Carlos Rafael Rodriguez, vice president of the Council of State, has delivered a personal message from Commander in Chief Fidel Castro to Hernan Siles Zuazo, the new Bolivian president. Carlos Rafael Rodriguez, accompanied by Jorge Lezcano, vice president of the National Assembly of the People's Government, and Ricardo Alarcon, vice minister of foreign relations, went to the Presidential Palace to welcome the new chief of state.

In his first speech as the new Bolivian president, Hernan Siles Zuazo urged that misery and privileges be eliminated in order to solve the grave crisis that now exists in the country. He said he accepts the challenge of solving the country's present situation and has confidence in obtaining the help of the people to do this. He promised the workers active participation in the companies but added that this does not necessarily mean interference with production. He announced incentives for private enterprise so that it will contribute to the development of Bolivia.

Further Comments

PY111715 Paris AFP in Spanish 1543 GMT 11 Oct 82

[Text] La Paz, 11 Oct (AFP) -- Today Cuban Vice President of the Councils of State and Ministers Carlos Rafael Rodriguez stated in La Paz that his country expects to be summoned to form an organization of Latin American countries which will exclude the United States.

Rodriguez told AFP that we still believe that the OAS (Organization of American States) cannot continue to be the organization in charge of solving the Latin American problems and that it is necessary to create a truly Latin American and Caribbean organization. In response to an invitation of the Democratic and Popular Unity (UDP) Rafael Rodriguez attended the inauguration ceremony of Bolivian President Hernan Siles Zuazo. Bolivia and Cuba have not maintained diplomatic or consular relations since 1963.

The idea of creating an organization of Latin American States (OLAS) was supported in La Paz by Sergio Ramirez, representative of the Sandinist government and by Siles Zuazo. According to Rafael Rodriguez, "Cuba is willing to discuss the initiative." Rodriguez stated that the establishment of a new continental organization must allow Latin America to create its own premises, its own programs and hold talks on an equal bases with the United States and Canada which comprise the developed northern hemisphere.

In referring to Bolivia's return to democracy, the Cuban representative stated that Bolivia is an example of what undoubtedly will happen in all Latin American countries. However, Rodriguez stated that Cuba is willing to resume relations with Bolivia whenever this country deems it convenient.

He pointed out that relationships between the people and the democratic forces of the two countries have always been in effect. Rodriguez said that the Cuban Government adheres to the Central American peace proposal made by Venezuela and Mexico in order to establish peace through dialogue and rejecting the use of military pressure. He ended by stating that there cannot be a Central American commitment if there is no U.S. Government commitment (of nonaggression).

CUBAN DELEGATION WARMLY RECEIVED IN LA PAZ

FL111220 Havana Domestic Service in Spanish 1100 GMT 11 Oct 82

[Text] Bolivian President Hernan Siles Zuazo was sworn in on Sunday after a 26-month exile imposed as a result of a military coup led by drug traffickers. Numerous official representatives from other countries were present at the inauguration ceremony, including Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers of Cuba, who represented Cuba's President Fidel Castro. On his arrival at El Alto Airport in La Paz, Carlos Rafael Rodriguez said that Cuba and Bolivia are permanently friendly countries. The Cuban leader said that on this occasion we wish to reafirm this friendship.

The Cuban delegation headed by Carlos Rafael is also composed of Jorge Lezcano, vice president of the National Assembly, Ricardo Alarcon, vice minister of foreign relations, and Carlos Martinez Salsamendi, adviser to the vice presidencies. They were warmly received at the Bolivian airport by a congressional delegation headed by the president of the Chamber of Deputies and composed of numerous senators and deputies, including Oscar Zamora, vice president of the Senate. A large crowd gathered at the airport gave the official Cuban delegation an ovation and called for solidarity with Cuba.

Rodriguez Speaks to Congress

PY121000 La Paz Radio Illimani Network in Spanish 1639 GMT 11 Oct 82

[Speech by Carlos Rafael Rodriguez, Cuban Vice President of the Councils of State and Ministers, to the Bolivian Congress in La Paz, on 11 October -- live]

[Text] Mr President of the Senate, senators, and all invited persons; on listening a few minutes ago to the Latin American appeal by Dr Carlos Andres Perez, and to the opening words of the president of this honorable chamber, I remembered the thought of that man whom we call the founder of the new Cuban nation and who is said to be the instigator of the events which led to victory on 1 January 1969, 1959 [Rodriguez corrects himself].

Jose Marti had said that this is the time for a joint march and effort, and that we must be together as silver [La Plata -- also the colonial name for Sucre] which is found rooted in the Andean Mountains.

We are here in the very center of the Andean Mountains, celebrating with the overwhelming joy of all Latin Americans an event which goes beyond the Bolivian borders because of its exemplary nature and its essential significance; it now joins the common struggle of Latin America for democracy, national independence and social progress.

In the name of the Bolivian people and in compliance with the mandate of the honorable Congress of 1980, Mr Hernan Siles Zuazo, in a simple but solemn act, assumed, more than the government of his country, the representation of all of Bolivian history, embodying the social forces which have assumed the command of the nation.

We can talk about, and much has been said about a peaceful transition which can be an example for other countries which are suffering the dramatic circumstances of military dictatorships. Bolivia has certainly given a beautiful example to Latin America, but at the bottom of this example there is a long process of struggle none of us can forget. There we can find the heroic struggle of the Bolivian people, the combativeness of the miners, the persistent struggle of the peasants, the courage of the students and of the intellectuals, and the moral force of the Bolivian women who have also participated in the struggle.

You, Mr President, recalled the number of persons who died, the amount of torture and sacrifice which made this simple change of power possible.

In this hour of America, we pay the homage of our small Cuban land to the Bolivian fighters who are now giving us a new American people for the necessary community. This is also the time for a joint effort, as Marti said almost a century ago.

Carlos Andres Perez mentioned the need to have at this American moment -- in addition to the organizations which will be able to channel one Latin American voice whenever they have the necessary representation, through this our America and the other America -- an organization in which all Latin American countries will be able to express their points of view, to discuss their ideas freely, to make known the result of the Latin American consensus, the real democratic consensus of our nations and of our peoples. We share the idea expressed by Carlos Andres Perez, and we also support the need for a legal Latin American structure.

Bolivia, Mr President, has taken a lovely path which we spectators of this beautiful experience understand as you do, is a difficult path. We also feel that to unite the forces which for years have been imposed on the people of Bolivia and on its democratic organizations is no easy task. The unity called for by Zamora will be necessary to achieve this, and it has been this unity which promoted these events in Bolivia; unity to struggle for a Bolivia which for many years you have longed for and are now achieving through the common effort of all Bolivians.

There is no need to fight. Yesterday we could hear on this plaza an excited and firm people chanting slogans of struggle, because they are also slogans of democratic ostentation. Unity is the basis for rebuilding the nation. You representatives of the Bolivian organizations, of the political parties who had made possible the recovery of democracy, must continue serving Latin America, uniting yourselves affectionately, as silver is united to the Andean roots, so that Bolivia will be able to march ahead.

Mr President, you have asked for solidarity with Bolivia at this difficult time, as a testimony to the economic difficulties of the Bolivian people, difficulties which Bolivia shares not only with Latin America, but with the peoples of the so-called Third World -- that world which has been the victim of plundering throughout history, whose natural resources have been pillaged, thus preventing them from achieving their economic development.

But within the Latin American grief, and the grief of the oppressed peoples of the Third World, Bolivia is a unique case of misery, of backwardness; because although it is rich in all natural resources, it has been exploited for centuries, victim first of Spanish colonialism, and victim again of the foreign neocolonialist policy later. I am sure that Bolivia will receive that solidarity. Cuba, modestly because we are a poor nation and because we depend mainly on the agroindustrial development, expresses that solidarity with Bolivia.

This Cuban solidarity with other nations is not something new. Here in this country -- I take the liberty to recall it because I find it necessary -- much Cuban blood has been shed. Young Cubans came to Bolivia to (?prepare) a Latin American (?plan). There were Cubans and Argentines as well, men of universal feelings. They did not come, although you may not understand, to meddle in the Bolivian sovereign will. They came simply to cooperate with the Bolivarian spirit, because Bolivar, Sucre, the founders of our America, had seen solidarity as a need and an obligation; as an order. The struggle of our peoples is not carried out in one place alone. It must be carried out wherever it may be necessary. And that was the spirit with which those young men came. You may agree or not with them, but we certainly would like to recall the origin and the internal movement which urged those young men to die on Bolivian soil, fighting for what they felt to be the right of the Bolivian people, the independence and freedom of Bolivia. Our people cannot forget this solidarity. Our people love Bolivia, and they have demonstrated it throughout its history. Our people is an (?essentially) Latin American people. We want to establish peace in America based on law, justice and regional integration.

A few minutes ago, Carlos Andres Perez referred to the drama of Central America, to the drama of harassed and surrounded Nicaragua, to the drama of El Salvador for which freedom is denied; to the drama of Guatemala which is flooded with the blood of its sons [passage indistinct] in Bolivia, by circumstantial rulers who were, at the end, also to be defeated.

Latin America needs peace in Central America. Speaking on behalf of the entire nation, and addressing Mexican President Lopez Portillo, the Cuban president has said that we are ready to participate in that commitment for peace in Central America, a peace based on the law, a peace based on assumption of the responsibility of all those involved in it, and not only the Central American peoples, the Caribbean peoples, not only Mexico and Venezuela which are always concerned with the Central American situation, but the other America as well, the powerful neighbor which has meddled, harassed and attacked not only Cuba for more than 20 years, but now also Nicaragua.

This is again the dramatic time for joint efforts. To express this solidarity we cannot contribute with the wealth we do not have. But we have built, a new society shaped through the sad history of our fatherland. We have turned several thousand youngsters into doctors, engineers, lawyers, agronomists and accountants, and Bolivia will need doctors and agronomists. They are at the disposal of Bolivia whenever it may deem them necessary. They have gone to other Latin American countries. They are in Africa and in Asia, complying with the cause of the health of the peoples. They will be here when Bolivia so desires and requests them.

I am speaking on behalf of a nonaligned nation, a country which hopes for a world without military pacts of the great powers, a country which assumes its international commitments. But would you allow me [passage indistinct] because I do not remember that the superpower as he calls the Soviet Union, and which is indeed a superpower, has anything to do with the pitiful fate of Latin America. Not a single part of the Latin American wealth has gone to the Soviet Union, and not a single drop of our blood has been shed as a consequence of Soviet interference. Thus, we have no other alternative than to remember that the fate and pain of Latin America has one name, and that name is none other than U.S. imperialism.

But these disagreements which come forth from the right to democratic dissent cannot separate us at a time like this. Carlos Andres Perez, who had good reasons to feel hurt by the process of the Cuban revolution, was one of the first to allow the Cuban presence in Latin America. We want to express on behalf of our fatherland our gratitude at this common Latin American hour.

This is what should prevail. We are countries of different political systems, of different opinions and ideas regarding some aspects of international coexistence. But we are countries called to be united, because Latin America, and we must also include here the Caribbean countries which have experienced the same sufferings, Latin America -- I repeat -- has endured centuries of colonial dominion and of neocolonialism so to speak. This is the time to shake off the yoke of neocolonialism and the yoke of servitude, of imperialism, and to make the dream of Bolivar, of Marti, of Sucre, of San Martin, of Juarez and of the liberators come true. The liberators who showed us the path and opened the doors of independence for us. What we must do now is to prevent these doors from closing again.

Senators and representatives of the Bolivian people, Bolivia has taught us a lovely Latin American lesson. We thank you and wish you success in your efforts. We make a call for unity as you have been called at this hour of your fatherland, And we tell you that the small and distant Cuba is and always has been on your side. Thank you. [applause]

FOREIGN MINISTER'S SPEECH AT SWEARING-IN CEREMONY

PY111751 La Paz Domestic Service in Spanish 2329 GMT 10 Oct 82

[Text] Your Excellency, constitutional president of the republic, before anything else and on behalf of the ministers who have just taken the oath of office, I want to publicly voice our gratitude for the confidence you have in all of us. This confidence strengthens our commitment and our desire to serve your government and above all the Bolivian people.

Mr President, as of this moment we assume our posts in an act of solidarity. We are aware of the responsibility which such a high investiture represents, and this compels us to work with dedication and sacrifice in order to serve the high interests of the country and each Bolivian citizen.

We pay our deepest homage to the struggle of the Bolivian people whoch has made possible the broadening of democracy.

On this occasion we wish to state, above all, that we are aware that we have reinitiated a democratic order and within this spirit our main objective will be to aid the government in the difficult task which it has undertaken. We wish to contribute our efforts so that the state apparatus may function smoothly and safely, taking primarily into account the need to respect human, economic and social rights of all the inhabitants. In order to support the points in your important inauguration speech, I deem it necessary and appropriate to refer to three main aspects; the country's economic reconstruction; the need for social balance; and our assertion on the importance of a political pluralism.

We will start by referring to the economic problem. We are all aware that Bolivia is experiencing one of the most difficult moments in its history. We have inherited a country in a catastrophic situation. We are not only enduring the impact of a difficult moment which stems from the contradictions of the capitalist structure in crisis, but have also inherited all the problems of underdevelopment and backwardness which are characteristic of a dependent country. The Bolivian crisis, which is mainly due to structural problems, needs above all deep-rooted solutions and not temporal pallitative measures.

Within this context, it will be up to this cabinet to help Your Excellency to draw up and implement a coherent economic policy aimed at curbing the crisis. The distribution of income will improve once the economy is reactivated. For this purpose we will have to implement a short- and medium-term plan based on well-defined policies. Sectorial priorities, which will not dilute the national effort into demagogic or unfeasible projects but which will contribute to an immediate and steady recovery, must be based on these prerequisites of the reactivation process. The people's peace and security necessarily demands the enforcement of all elements necessary for a social balance.

The social balance at a time of crisis requires that the sacrifices be evenly distributed. However, it is not fair that the workers should shoulder the weight of the mistakes made in the past. This government is a government of the people. Therefore, no greater sacrifices at the cost of illness and hunger can be demanded. There are sectors responsible for absorbing the crisis and contributing to overcome it [word indistinct] for the country's quick recovery. The people come before anything and above all and we cannot creat greater social traumas.

The original objectives of the Bolivian social security system have gradually and continuously been distorted to the point of becoming a rudimentary system of a sectorial social security system. This fragmented system has a negative impact on the quality of its benefits and it should be corrected. A country which lacks a social security system for all its people is a forsaken country. This is another important government responsibility.

Regarding political pluralism, we and the country are aware of our overriding faith in and passion for a participatory democracy. Therefore, this cabinet, in all its administrative moves, will recognize the citizens' right to hold public posts and will take into account other requisites such as integrity and capability.

In difficult times such as the ones we are experiencing, the consolidation of the democratic process requires generosity and the renunciation political expediency which may disturb the country and (?liven) authoritarian ambitions.

A cabinet which represents a government voluntarily elected by the majority is a suitable tool which, together with the president of the republic carrying out the functions of the executive branch, should contribute to maintain continual coordination with the remaining powers of the state, taking the independence of each power into account. This demands full respect for the actions of each power of the state, and as a consequence we expect, in a profound democratic gesture, reciprocity. The commitment we have undertaken is free of even the slightest signs of destabilizing pressure.

Democracy means participation, a lot of consultation, commitment and zeal in public acts. It does not encompass obstruction, negativism, undue pressure or extortion. The Bolivian people hope that a constructive spirit will prevail because, despite the differences, the ideological trends and the different ways of interpreting events, it is the future of the people which is at stake. The country cannot engage in the petty and selfish game of forgetting to see the thick forest of problems, which must be solved with determination and dynamism, for the trees.

Regarding foreign policy, which Your Excellency Mr President, is responsible for conducting, we voice our solidarity with your statement and consequently will contribute to carry out an independent and nonaligned foreign policy which will faithfully represent the national interests determined by the confrontation and the factors which establish the country's position in the world and those which stem from Bolivian conditions.

So far, Bolivia has maintained erratic positions due to the geopolitical factors which stem from its landlocked situation, from its conditions as an underdeveloped and dependant country. These elements condition the limited exercise of sovereignty and national independence. In addition to these factors are those of an economic nature which overrule political commitments. The establishment of a foreign policy which will serve the national interests and aspirations should respond above all, to the following objectives: an economic independence which will make feasible free negotiations and the signing of bilateral and multilateral agreements; political stability and institutional continuity in maintaining the full exercise of democracy so that by the end of this 4-year period of democratic reestablishment, during which we will be able to set the basic guidelines of a coherent foreign policy, we will also be able to find solutions to the socioeconomic problems of the nation through our own initiatives and with patriotism and enthusiasm. Thus we promise to support the structure of our democracy based on the following points:

To maintain relations with all nations regardless of their ideologies and their economic systems; to participate actively in integration efforts, giving priority attention to national interests; respect for the ideological pluralism of nations; reaffirmation of the principles of self-determination and nonintervention; a policy of demand for an outlet to the sea, based on the very regional nature and character of the problem, as an element essential for peace and security among South American nations, because the Bolivian landlocked problem is a continental problem; reorganization of the diplomatic service in order to adapt it to the institutional changes which are implemented for reasons of production and the development of foreign trade.

Bolivian diplomacy must broaden its traditional guideline of conventional representation in order to turn it into a tool for economic-commercial rapproachement, and in order to contribute to the increase and diversification of our exports, with the purpose of strengthening interests aimed at overcoming adverse trade exchange terms and to implement a new economic order.

Mr President, we are proud to cooperate in this decisive time for the present and future of the country. We are aware of the sacrifice, problems and concerns which we will have to face during the coming days of your government. It is a historic (?duty) which we accept with faith and optimism. The people never die. Bolivia, despite its misfortune, has great vitality. You and the people have deposited your confidence in us. If the people are with us, God will guide our path. Thank you very much, Mr President.

OUTGOING PRESIDENT'S SPEECH AT INAUGURATION

PY111645 La Paz Domestic Service in Spanish 2003 GMT 10 Oct 82

[Speech delivered by Bolivian outgoing President Guido Vildoso Calderon during Siles Zuazo's inauguration ceremony at La Paz Legislative Palace — live]

[Text] Mr President of the honorable National Congress and distinguished congressmen; their excellencies presidents of the sister republics of Peru, Colombia and Ecuador; their excellencies the president-elect and vice president-elect, heads of foreign delegations, honorable diplomatic corps, high-ranking national officials, generals and admirals, commanders of services, ladies and gentlemen, people of Bolivia:

We are attending today a momentous event which is far more significant than previous similar events that have taken place during our country's republican history. As the outgoing president of the republic, as an officer and as a citizen, imbued with a high patriotic spirit, I want to express my satisfaction over the common purposes behind which we Bolivians are rallying, as an expression of democratic, participatory pluralism which is setting the course the nation will have to follow.

The Bolivian people, who have not tired of defending justice, equality and the law, are the descendants of those martyrs of our fatherland who, at the cost of sacrificing their own lives, left behind them a luminous trek of self-denial and dedication to the fatherland.

We, the heirs to that spiritual and moral greatness, have gathered together in this auditorium to bring Bolivia back to a constitutional course and to move on to the path leading to the consolidation of our national institutions.

When I assumed the presidency of the nation, I received a mandate from the armed forces which had two clear objectives; to seek the prompt constitutionalization of the country through general elections to be held in April 1983, and to enforce a package of corrective economic measures which would enable us to stop and to overcome our present difficult situation.

Our presence in the government was motivated by this mandate and not by personal ambitions. As a professional soldier I had to carry on a mission entrusted to me by the honorable junta of commanders of the armed forces.

It is not easy at all to be president at a time of crisis like the one the country is now experiencing, especially when the people are enduring a crisis generated in other times by other governments.

From the beginning of my short tenure, I sought to establish a frank, open channel of communication. Jointly with the commanders, I held a broad political dialogue with most parties and major fronts in the country. Later, in keeping with this same philosophy that has consistently guided our tenure, we also promoted dialogue on economic issues so that the burdens that were to be shouldered by our people to overcome the crisis could be known and discussed and national sectors could express their ideas.

The armed forces are part of the Bolivian people. Like any other citizen, those in the ranks feel the same anguish, sacrifices and problems we are enduring in this difficult period.

It was for this reason, truly interpreting these feelings, that I conducted my government actions as clearly as possible, imbued with a patriotic sense.

The acute economic crisis and our overwhelming desire to overcome it as soon as possible caused us to expedite the political process. We were aware that it was necessary for the new authorities to promptly assume the national government so that they could decidedly undertake the package of measures required to reactivate our domestic economy and to renegotiate our foreign debt.

My government carefully prepared those measures, which should be urgently enforced, and discussed them with the people during the economic dialogue I mentioned earlier. If those measures were not enforced, it was not due to our indecision or irresponsibility. During the economic dialogue we became aware that it was necessary to give priority to the political process, as a factor which would promote harmony and unity within the Bolivian family.

We are thus leaving a carefully prepared emergency economic plan, which could eventually serve as a basis for decisions for the future constitutional government.

In keeping with this basic principle and aware of the feelings of the people, the armed forces, political, business, union and peasant groups, we decided to convene the honorable National Congress elected in 1980 so that it could elect the new heads of the executive branch from among the three candidates receiving the majority of votes in the 1980 election. It is important to note that we have tried to base our actions on the Constitution and the laws as much as possible since in practice the honorable Congress of 1980 had never been convened because of the disruption of the democratic process.

Thus, acting with extreme care and seeking to create the best conditions for its present and future actions, my government finally called this congress, which today, by its own sovereign right, embodies the legislative branch.

This is why I firmly believe and am convinced that I have complied with my commitments to the Bolivian people. I have also complied with my commitments to the armed institution which beginning today will return to its specific constitutional functions.

This return to constitutional functions does not entail, however, indifference or withdrawal, but hope in and a sound concern over the country's future. We are returning to our duties because we trust in the degree of maturity achieved by political groups, whose members should no longer be mere executors of platforms and principles, but citizens who are aware of the true needs of the various national sectors and who are respectful of the institutions, individuals and of the citizen's right to free thinking and expression.

The armed forces will loyally cooperate to meet the needs of the people and Government of Bolivia. We will contribute with our efforts to overcoming the crisis that has been troubling the nation, which now more than ever requires spiritual greatness and a dignifying resolve to show generous self-denial from all political, social and economic groups.

The armed forces will retain those mechanisms required to guarantee faithful compliance with the Constitution, to safeguard and to defend the country's sovereignty and territorial integrity.

The armed forces have historically been a factor in government, not only in Bolivia but also in many Latin American countries. At this solemn ceremony, I would rather not elaborate too much on this subject, but I believe it is worthwhile to stop and reflect.

If the armed forces have moved into the political life of some countries, sometimes with constructive actions and sometimes -- it is proper to admit this -- with negative results and positions which are inherent in their fallible human nature, this cannot be blamed entirely on the military.

It should be blamed in the first place on complex historical realities of the political development of Bolivia and other countries. It is also due to the weakness of our political structure and institutions. This is a tragic truth we cannot and should not overlook.

To avoid, then, recurring cycles of military rule and civilian rule; to build a solid, durable exemplary democracy, we will have to establish a true, genuine reconciliation among civilians and military. We military will do our share to contribute to consolidating the institutions.

I respectfully indulge in the liberty of requesting that civilian leaders and institutions be strengthened, that they be given the organized structure the country urgently needs to overcome its socioeconomic problems, since it is a fact that it will be through the normal functioning of solid political institutions that we will guarantee and will be able to build the great future our country deserves considering the quality of its people and the wealth buried in its soil.

During my trip to Colombia to attend the inauguration of my good friend, his excellency President Belisario Betancur, I publicly and privately told my colleagues who were also there about the armed forces government's democratic objectives.

The declaration of presidents signed in Bogota included a paragraph proposed by my delegation which mentioned the solidarity of the other chiefs of staff with our process of returning to democratic institutions, a process I have steadfastly carried on and which I am completing today.

Today I can take pride in stating at this high forum, in the presence of numerous foreign delegations, that I have kept my word. I can state that the Bolivian Armed Forces have complied with their commitment to their people.

The armed forces of yesterday, today and tomorrow; the armed forces, which are both spirit and substance; which are both muscle and intellect; which are both science and courage; which are above men and which are confounded with the notion of the fatherland; may God, our Lord, use them and their members as instruments of peace, of that peace Bolivia longs for all its children, of that peace we military and civilians, Bolivians alike, will build together.

As for the actions of my administration, I do not want to overwhelm anyone with a report on the administrative actions of the executive branch. My tenure has been short but dignified, honest and sincere, and is ending here with this act of true national and international significance.

In any case, and always with the desire to avoid a temporary paralysis of the administration, I told my ministers and the main directors of state-owned enterprises to prepare dossiers on all pending issues and outline details of the actions carried out during my administration.

Thus tomorrow, Monday, as soon as the new ministers assume their posts, they will have at hand what I believe will be a valuable instrument for the normal resumption of activities by the executive branch.

The armed forces sincerely wish success in their administration to the new constitutional authorities because the future of all and each Bolivian will depend on their actions.

This sincere wish is above ideological inclinations or party labels but conveys a genuine, true hope in a better future for Bolivia within the framework of an orderly, effective democracy.

On this final occasion in which I am addressing the Bolivian people and in the illustrious presence of delegations of friendly countries, I want you to remember the images and to report on the details of this ceremony, on the truly exemplary fashion in which the transition to democracy has taken place.

Although this has been a de facto government, a government of transition, we have respected fundamental rights and freedoms. As soon as the National Congress was convened, liaison committees were created to maintain administrative effectiveness.

I dare say that transitions toward constitutional governments have not always been marked by the perfect harmony we were able to achieve at this crucial time for Bolivia.

This clear behavior also proves that we Bolivians can unite and work together when we pursue a great national objective above personal or group interests, when we have a common denominator that guides our actions.

Finally, in the name of the Bolivian Armed Forces, whom I had the honor to represent as head of their government at this supreme historic moment for the nation, I comply with my high duty of handing the symbols of the presidential office to the president of the National Congress so that he can bestow them upon his excellency, the constitutional president-elect of the Republic of Bolivia, [applause]

PERUVIAN PRESIDENT SPEAKS AT INAUGURATION

PY122026 La Paz Domestic Service in Spanish 2106 GMT 10 Oct 82

[Speech by Peruvian President Fernando Belaunde Terry to the Bolivian Congress in La Paz -- live]

[Excerpts] Constitutional president of the republic, constitutional presidents of Ecuador and Colombia, outgoing president, presidents of the Senate and the chamber of deputies.

An important historical event joyfully brings us to Bolivia: The restoration of democracy. A restoration, General Vildoso, achieved without the shedding of a single drop of blood. For this reason we heads of state have come to tell the Bolivian people and the armed forces who are handing over power, that we are pleased to see that our brothers of the altiplano, by their own decision, have found the path of the constitution and the law. [applause]

Despite all its problems, all its concerns, and all its sorrows, Bolivia today marks an important page in the history of democracy.

We are all aware of the difficult geographical problem which affects Bolivia. There are really alarming problems, an unjust landlocked situation; it is obviously isolated from the important markets. It has a long way to go before it can reach those markets. At the same time, however, this country is compensated by nature. Bolivia is in the heart of the continent and holds the unique position of being involved in the three great development projects of the continent. As no other country on the South American Continent. Bolivia enjoys the promising priviledge of belonging to the Andean Group, the Amazon Treaty and the River Plate Basin. This grants it a key position as common ground for these projects. The South American panorama, therefore, is shaded by any of Bolivia's problems. Bolivia's recovery has revived the hope for the future of the entire South American continent. [applause]

The continent is interested in strengthening the Bolivian position regarding the important development projects. If an effective Latin American development is to be achieved, Bolivia can no longer be neglected and left behind. [applause]

President Siles, when Bolivia -- under your skillfull leadership and appropriate guidance -- manages to fully implement democracy, when law is fully enforced -- as I amsure it will be -- when work becomes disciplined and constant, the world will turn its eyes to Bolivia to admire such a magnificent work and [passage indistinct] [applause]

NEIGHBORING COUNTRIES' PRESIDENTS RETURN HOME

PY121424 La Paz Illimani Network in Spanish 1700 GMT 11 Oct 82

[Excerpt] The Constitutional presidents of Colombia, Ecaudor and Peru left early this morning for their respective countries, shortly after Hernan Siles Zuazo had been sworn in as president of the nation.

While Presidents Belisario Betancourt and Oswaldo Hurtado left in their private planes, President Fernando Belaunde Terry left La Paz by land.

BRIEFS

ECUADOREAN AMBASSADOR PRESENTS CREDENTIALS -- Olmedo Paz Monteverde today presented his credentials to Bolivian President Guido Vildoso Calderon as the new Ecuadorean Ambassador in La Paz. [La Radio Illimani Network in Spanish 1700 GMT 7 Oct 82 PY]

EMERGENCY MEASURES RECEIVE NATIONWIDE SUPPORT

PA122024 Buenos Aires LATIN in Spanish 1733 GMT 11 Oct 82

[By Francisco Tulande]

[Excerpt] Bogota, 11 Oct (LATIN-REUTER) -- The government emergency measures adopted over the weekend to reorganize the Colombian financial system today received full support from businessmen, congressmen and opposition political leaders.

Effective today, the financial system, affected by a number of violations of the law, mishandling of public funds and self-granted loans will be regulated by a law issued Saturday. The law fixes penalties and fines for officials or groups mishandling public funds.

Simultaneously, the (private) state bank, the fourth-larges in the country, was also nationalized. The bank has been afflicted by serious problems of liquidity, after the discovery 2 months ago of illegal maneuvers and self-granted loans amounting to $1 million.

Finance Minister Edgar Gutierrez Castro said that as of today, the (Central) Bank of the Republic assumed the state banks external and internal obligations, which exceed $80 million. The 2,000 employees of the bank's 60 offices throughout the country became public employees today. The minister explained that the government will acquire nearly all the bank shares.

FOUR KILLED IN 'SERIOUS' CIVIL DISORDERS

PA121712 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 12 Oct 82

[Excerpt] Bogota -- Serious disorders have occurred in the last few hours in various parts of the country in the course of civic strikes held to demand improved public services. As a result of these disturbances, four people have died and a curfew and dry law have been imposed in several towns.

In Rio Sucio, west of Caldas, violent clashes occurred yesterday between demonstrators and the police. The clashes turned into shootouts during which four people died, among them an unidentified minor.

In Puerto Asis, Putumayo, the local authorities imposed both a curfew and a dry law following the excesses staged by irate demonstrators who, for the past 8 days, have been participating in a civic strike.

Meanwhile, community leaders in at least 10 municipalities in east Antioquia today reiterated the order to resume the suspension of all public and private activities in demand of better public services, such as electricity and potable water.

Both the army and the police have increased their patrols in places such as Rio Sucio. Police inspector Gen (Manuel Tulio Minas Cantini) is expected to arrive here early today to personally investigate the performance of the policemen who participated in these incidents.

In Putumayo, as well as in the other towns where civic strikes have been announced, security has been tightened while the civilian authorities try to calm the people and to begin immediate implementation of the improvements demanded by the people.

A report from Manizales says that Rio Sucio, the scene of serious disturbances yesterday when an irate crowd (?clashed) with policemen during a tragic civic strike to protest the hike in electricity rates, has been placed under military control. Four people reportedly were shot to death during the disturbances, the most serious demonstrations in this town in many years.

CUBA'S RODRIGUEZ SPEAKS AT LIMA AIRPORT

PY121700 Paris AFP in Spanish 1559 GMT 12 Oct 82

[Text] Lima, 12 Oct (AFP) -- Carlos Rafael Rodriguez, vice president of the Cuban Councils of State and Ministers, stated here today that never before have the United States and Latin American countries been further away than now because of the Reagan administration's position on the Malvinas issue.

Rodriguez, who made a brief stop here on returning to his country after attending the Bolivian presidential inauguration, stated that the U.S. Government's position on the above conflict provoked rage and disappointment in those who believed the Inter-American Reciprocal Assistance Treaty could have been instrumental in defending Latin America.

Rodriguez said the above should be added to the Reagan administration's economic policy which, with its high interest rates, is ruining other countries and is aggravating their situation by banning imports from Latin America.

After stating that there is no possibility of rapprochement or resumption of relations with the northern giant, Rodriguez said: We want to improve relations on the basis of mutual respect, on the lifting of the economic embargo and of the aggressive position stemming from it. He added: We insist on mutual respect in every respect.

Rodriguez reiterated that Cuba was following with great interest and support the creation of an organization which would replace the OAS and which would exclude the United States and would include Caribbean countries. He said: This is necessary for Latin America to speak with a single voice and to achieve self-fulfillment. Cuba favors this idea and wants to participate in implementing it.

Rodriguez also said that his country maintains good relations with Peru and that the two governments are interested in maintaining these relations.

Commenting on a minor disagreement over 16 Cubans who have been staying at the Peruvian Embassy for approximately 2 years and whom the Peruvian Foreign Ministry regards as refugees (a conflict of legal interpretation), Rodriguez expressed his confidence that the two countries will overcome this matter.

Finally, commenting on Cuban relations with other Latin American countries, he said: Although we maintain good relations with all Latin American peoples, we do not maintain relations with some of their governments. He said: For instance, we are not interested in maintaining relations with the governments of Chile, Paraguay, Uruguay, Guatemala and El Salvador.

APRA CONGRESS DISCUSSES IMPORTANT MATTERS

PA121624 Havana International Service in Spanish 1800 GMT 10 Oct 82

[Text] According to the most recent reports from Lima, the 15th Congress of the American Revolutionary Popular Alliance, APRA, is about to close in that capital. The election of the party's new secretary general began last night.

According to the reports, over 2,000 delegates have been meeting for the past 3 days in the APRA headquarters in Lima to approve a number of resolutions which may be of vital importance for the future of both this organization and the country.

Several APRA sectors attending the event are in favor of open opposition to the government of Peruvian President Fernando Belaunde Terry. According to other reports from Lima, other factions are in favor of a more moderate stand.

ZAMBRANO ACCUSES GUYANA OF 'BRIBE' ON ESSEQUIBO

PA120456 Madrid EFE in Spanish 1558 GMT 11 Oct 82

[Text] Caracas, 11 Oct (EFE) -- Venezuelan Foreign Minister Jose Alberto Zambrano today accused Guyana of using dilatory tactics in the dispute over the Essequibo region for not accepting Venezuela's proposal to let the United Nations resolve the territorial dispute.

However, Zambrano announced his intention to insist on the arbitration of UN Secretary General Peruvian Javier Perez de Cuellar to end the dispute on the Essequibo, despite Guyana's lack of desire to negotiate.

The Venezuelan foreign minister noted that the Essequibo claim will not be affected by "incidental questions" such as entry into the Nonaligned Movement.

According to Zambrano, Guyana tried to bribe Venezuela by setting conditions on its affirmative vote for Venezuela's entry into the Nonaligned Movement, scheduled for March 1983.

The Venezuelan foreign minister explained that the Guyana's conditions were that the Essequibo problem have a peaceful solution and that Guyana participate in the development of the Alto Mazaruni Dam.

POLISH FOREIGN MINISTER CONCLUDES VISIT

Coal Exploitation Project

PA101500 Buenos Aires LATIN in Spanish 1627 GMT 9 Oct 82

[Text] Caracas, 9 Oct (LATIN-REUTER) -- Venezuelan Energy and Mines Minister Humberto Calderon Barti has announced that Venezuela and Poland will work together in the exploitation of coal in his country.

Calderon met yesterday with Polish Foreign Minister Stefan Olszowski who is on an official visit to Venezuela.

The Venezuelan minister said that Poland's experience as a large coal producer internationally will be an important contribution to Venezuela's coal exploitation projects.

Calderon Berti also termed "very important Poland's interest in purchasing Venezuelan oil. Therefore, I raised to the foreign minister the possibility of reaching specific agreements in both these areas through concurrent negotiations."

Venezuela's oil production is currently in excess of 1.7 million barrels per day, according to figures supplied by the Ministry of Energy and Mines today.

Herrera Campins Meeting

PA100436 Paris AFP in Spanish 0250 GMT 10 Oct 82

[Text] Caracas, 9 Oct (AFP) -- Polish Foreign Minister Stefan Olszowski spoke with Venezuelan President Luis Herrera Campins about the political situation in his country and in Latin America during a meeting held at the Venezuelan president's official residence here today.

Olszowski thus concluded his 3-day official visit to Venezuela, invited by this nation's Christian Democratic government.

During his stay in Caracas, the Polish foreign minister met with officials of the Venezuelan Foreign Ministry and of the oil and financial sectors.

According to Venezuelan official sources, Olszowski's visit to Venezuela will permit a rapprochement in bilateral economic relations, particularly regarding oil.

LOPEZ PORTILLO LAMBASTS U.S. LAWMAKERS' PROPOSAL

PA072342 Havana International Service in Spanish 0000 GMT 7 Oct 82

[Text] Mexican President Jose Lopez Portillo has described the proposals made by 37 U.S. congressmen in regard to Mexico as interventionist, highhanded and irritating. The proposals are basically related to the bank nationalization in Mexico.

Lopez Portillo met yesterday with the chief editors of the leading Mexican daily newspapers which are members of the Front Page Club [Club de Primera Plana] to discuss the congressmen's attacks on Mexico, which were published in Friday's NEW YORK TIMES.

The Mexican head of state said that his country's government reserves the right to investigate the links between this group of congressmen, headed by Larry McDonald, well-known ultrarightist connected with the Ku Klux Klan, and the local Mexican forces which reappear every 6 years to try to disrupt the transfer of power in Mexico.

Meanwhile, the morning newspaper EXCELSIOR published an editorial today headlined: Sovereignty and Dignity. The paper says that the Mexican chief executive focused directly on the campaign against Mexico by U.S. congressmen whose leader, Lopez Portillo asserts, is linked to infamous ultrarightist organizations.

This situation arises 48 hours before Mexican President-elect Miguel de la Madrid and U.S. President Ronald Reagan are scheduled to meet in San Diego and shortly after the Chamber of Deputies approved President Lopez Portillo's proposal to make the bank nationalization decreed on 1 September part of the Constitution.

COMMENTATOR VIEWS DE LA MADRID-REAGAN MEETING

PA090527 Mexico City International Service in Spanish 0200 GMT 9 Oct 82

["Today's Opinion" NOTIMEX editorial by (Joel Hernandez Santiago): "Miguel de la Madrid-Ronald Reagan Meeting; Those Who Don't Remember Their Past"]

[Excerpts] History is useless. It does not solve or change anything. It is not worth anything. Historian (Jose Miranda) used to say this skeptically when some of his students in the 1950's asked him about the usefulness of history.

Those who do not remember their past are condemned to repeat it. Today, 8 October 1982, the 28th summit meeting between Mexican and U.S. presidents and presidents-elect took place. Those who have some memory of our history will recall that these meetings have not been exactly significant with regard to the possibility of a substantial change in the relations between our countries.

The problems of the two countries, which are basically structural ones, are not and will not be solved in 40 or 50 minutes. Problems that have not been solved in 200 years will not be solved today. This does not mean that the meeting held by Miguel de la Madrid and Ronald Reagan today was not important. It was significant because a new spirit was established in the relations, not only economic or cultural relations, but political relations as well, at a time when some U.S. citizens have naively made up their minds that they are going to decide what political path Mexico should take. Nothing could be more absurd or irrational.

For the time being, the leaders have only met each other, and in some way they will establish some rules of the international game. Meanwhile, we Mexicans have much to remember about U.S. citizens. In our relations with them, we have unquestionably committed many mistakes. Nevertheless, there is still time to review the past so that at the negotiating table, the past, along with the present, can give us warnings and even advantages over our neighbors to the north. Even if (Jose Miranda) says the opposite, history is truly essential for our future.

DE LA MADRID ON ILLEGAL IMMIGRATION TO U.S.

PA080516 Buenos Aires LATIN in Spanish 0940 GMT 5 Oct 82

[Text] Mexico City, 5 Oct (LATIN-REUTER) -- Mexican President-elect Miguel de la Madrid said last night that the illegal Mexican immigration to the United States is a result of Mexico's inability to provide employment for its population. He added that it is also due to the fact that the United States depends on the migrant labor.

Speaking in a television interview, the president-elect said that the poor Mexican economic structure causes many Mexicans to seek work on the other side of the border. "It is with great sadness and sorrow that I say this, but Mexico is a country that cannot give its children work, dignity and good living conditions."

De La Madrid said that Mexico's population growth rate, one of the highest in the world, is the root of Mexico's economic problems. He indicated that many people go to the United States in search of jobs because they cannot feed their large families here. However, he added that as a result of its development, the U.S. economy needs basic unskilled labor to do the work that many U.S. citizens refuse to do.

He said that the two countries should jointly work to establish regulations regarding the rights of the immigrants and the Mexican migrant workers in the United States.

JOINT PROBE WITH U.S. OF CAPITAL'S FLIGHT VIEWED

PA082333 Mexico City International Service in Spanish 0200 GMT 8 Oct 82

[Text] The Chamber of Deputies committee investigating the flight of capital today suggested the creation of a Mexican-U.S. interlegislative committee to help clarify who took money out of our country.

The legislative committee has met with several current government officials and yesterday met with Mexican Attorney General Oscar Flores Sanchez.

(Salvador Castaneda), a deputy of the United Socialist Party of Mexico and a member of the investigating committee, said that Flores Sanchez has agreed to provide the committee with the declarations of assets made by public officials, and that these declarations will help to verify whether property and assets were purchased abroad.

PRESIDENT TELLS CSSR DELEGATION OF PEACE MOVES

FL082305 Mexico City NOTIMEX in Spanish 2119 GMT 8 Oct 82

[Text] Mexico City, 8 Oct (NOTIMEX) -- President Jose Lopez Portillo today strongly condemned violence and said it was monstrous that similar Latin American youths should destroy each other because of a lack of understanding by the rest of the world.

Speaking to members of the Czechoslovak Communist Party led by their chairman, Alois Indra, who paid him a visit this afternoon at the National Palace, the Mexican president affirmed that Mexico does not believe in violent solution.

The president of the republic firmly condemned that false conflicts are being contrived among brothers and this, he said, is not only absurd but monstrous. Nicaraguans and Hondurans are the same people with the same basic problems, the same economic problems. Although they have different political organizations, they are essentially confronting the same situation, said the chief of state.

He said that if the Mexico-Venezuela peace initiative was not accepted, Mexico would resort to other formulas, whatever number it takes.

Further on in his speech, the Mexican chief of state said that in a plural and complex world such as our, it was necessary to have communications between representatives. He pointed out that the means of communication around the world is quite extensive.

He said that Mexico shares principles of international relations with Czechoslovakia and these similarities help to strengthen relations between the two countries.

Elsewhere in his brief speech, the Mexican president assured that Mexico would resolve the circumstantial problems it is experiencing, and stressed that it was vital that the rest of the world pay attention to what is happening to the countries of the South.

Further Activities of Delegation

FL091807 Mexico City NOTIMEX in Spanish 0025 GMT 9 Oct 82

[Text] Mexico City, 8 Oct (NOTIMEX) -- Czechoslovakia and Mexico are geometrically separated but united by similar struggles during coinciding historic phases, said Humberto Lugo Gil, president of the Chamber of Deputies Grand Committee. Lugo Gil received a Czechoslovak parliamentary delegation headed by Alois Indra, chairman of the Federal Assembly and member of the Czechoslovak Communist Party Central Committee Presidium.

Alois Indra asserted that mankind will always be grateful to President Jorge Lopez Portillo for his efforts for peace and a new international economic order. Czecholsovakia and Mexico, he said, speak the same language in foreign policy and are proud to support a progressive policy in all world forums.

FOREIGN SECRETARIAT ON PROGRESS OF PEACE EFFORTS

PA100324 Madrid EFE in Spanish 0001 GMT 10 Oct 82

[Text] Mexico City, 9 Oct (EFE) -- Venezuela and Mexico have agreed to persevere in consultations with the Governments of Nicaragua and Honduras to find a date "acceptable" to all for holding a meeting of the heads of state of those Central American countries, it was reported today in this capital.

In a press communique, the Foreign Secretariat also announced that the meeting was to have been held this coming Wednesday in Caracas, and that the Nicaraguan Government had expressed its agreement to participate in it. However, it added that Honduran President Roberto Suazo Cordova said that due to prior unpostponable commitments, he could not attend the meeting.

The Foreign Secretariat noted that in the past few days, Venezuela and Mexico engaged in consultations with the Governments of Honduras and Nicaragua to have the heads of state of those two Central American countries meet for the purpose of holding a constructive dialogue to achieve detente and understanding.

The source concluded that the Honduran and Nicaraguan presidents were going to meet in the presence of the Venezuelan and Mexican presidents, Luis Herrera Campins and Jose Lopez Portillo.

LOPEZ GALVAN: NO PROBLEMS WITH GUATEMALAN ARMY

FL081041 Mexico City NOTIMEX in Spanish 0043 GMT 8 Oct 82

[Text] Mexico City, 7 Oct (NOTIMEX) -- National Defense Secretary Felix Galvan Lopez today denied there are any problems with the Guatemalan Army.

Interviewed after the 24th radio and television banquet, he said that during the past 6 years there have been no incidents on the southern border and that today's report from the chief of Military Zone 31, which covers the Guatemala-Mexico border, had nothing to report from that zone.

He said the Mexican Army is currently conducting a deployment plan in the region in question in response to political and strategic needs.

MEXICO 'CONSIDERING POSSIBILITY' OF JOINING OPEC

LD121322 Belgrade TANJUG in English 1021 GMT 12 Oct 82

[Text] Mexico, October 12 (TANJUG) -- Mexico is considering the possibility of joining the Organization of Petroleum Exporting Countries (OPEC), Mexican Minister of Industry Andres de Oteyza has stated. He added that the above decision, however, comes under the competence of the government of Miguel de la Madrid to be inaugurated by the president of Mexico on December 1 this year. Oteyza's statement has caused great interest [word indistinct] in local political and economic circles because so far Mexico has categorically refused to join OPEC, maintaining the independence in the policy of petroleum production, export and prices.

Mexico is the fourth world petroleum power. Its daily petroleum production totals some 2.6 million barrels. More than half of its production Mexico exports, primarily to the U.S. market. The price of Mexican oil is currently a little lower than the OPEC prices and Mexico has not reduced the level of its oil production despite OPEC recommendations to do so.

ENERGY SECRETARY ON DEBT, OIL PRODUCTION

PA102152 Paris AFP in Spanish 2057 GMT 9 Oct 82

[Text] Caracas, 9 Oct (AFP) -- Jose Andres de Oteyza, Mexico's secretary of patrimony and industrial development, told DIARIO DE CARACAS today that Mexico needs "$4 billion in net financing" over the next 4 weeks.

It has been learned that the Mexican secretary is in Caracas to attend a ministerial meeting sponsored by OLADE, where he is discussing the creation of Petrolatin, a Latin American trinational, with his Brazilian and Venezuelan counterparts.

Mexico's foreign debt amounts to $80 billion and, according to De Oteyza, "a large part of this debt is on a short-term basis." A fourth of that debt is owed by the state-owned Pemex.

According to the minister, "we are currently producing about 2.5 million barrels of oil per day. Of this amount, 50 percent is exported to the United States."

"Since January, the stable prices for our oil have been $25 per barrel for Maya-type heavy oil and $32 per barrel for the Istmo-type light oil," he added. "During 1982, we hope to export an average of 1.5 million barrels of oil per day," De Oteyza then said.

He went on to explain that Mexico's hydrocarbon reserves "amount to about 72 billion barrels, of which 2/3 are oil and 1/3 is gas. As regards crude oil, 40 percent of our oil reserves are of the light type and 60 percent are of the heavy type, above 34 degrees API (American Petroleum Industitute)."

"Despite our present economic crisis,our oil policy continues to be in accordance with the original plan for the entire year," he added.

Finally, the Mexican minister said that "Mexico and Venezuela maintain a very flexible dialogue about oil in order to avoid useless disputes in connection with the U.S. energy market."

PST BLAMES BUSINESS FOR CAMPAIGN AGAINST MEXICO

FL121130 Mexico City NOTIMEX in Spanish 0424 GMT 12 Oct 82

[Text] Mexico City, 11 Oct (NOTIMEX) -- The Workers Socialist Party (PST) has asserted in a press release that the campaign against Mexico abroad is being instigated by businessmen to preserve their cushy jobs and privileges.

The PST asserted that the campaign is being promoted directly from Wall Street and proof of it was the letter sent by 36 U.S. legislators who love to see communism at every turn.

The PST stated that businessmen have announced their declaration of war and are preparing to intervene more in politics, but the workers will be prepared to see that this does not happen.

The PST said the declaration of war was adopted at the conclusion of the meeting of businessmen called Mexico and Its Freedom, which was held in the city of Monterrey, Nuevo Leon.

SUPPORT FOR BASIC PRODUCTS IMPLEMENTED

PA090006 Mexico City International Service in Spanish 0200 GMT 8 Oct 82

[Text] It was officially announced today that financial support in the amount of 50 billion pesos will be granted by the Bank of Mexico to companies that produce basic products. The Bank of Mexico pointed out that the credit support will be granted according to the national program of basic products for the 1982-85 period. The fund to guarantee and promote production, distribution and consumption of basic products [fondo de garantia y fomento a la produccion, distribucion y consumo de productos basicos] is also participating in this program.

The Bank of Mexico also announced that the first stage of the national program of basic products, which was implemented on 27 September, will last 3 months. The companies that will benefit from this program include those that manufacture appliances, textiles and ready-made clothes, shoes, oil, fruits, vegetables, canned goods and fish products.

The financial support granted by the bank will include credit discounts to purchase foods and equipment for canning with a 3-year repayment period as well as industrial mortgage credits with a 5-year repayment period.

The Bank of Mexico has announced that as of today the companies registered in specific programs will be able to request the funds to maintain or increase production or to cancel debts. The bank added that those companies applying for the national program of basic products will be able to request the credit support once they have been duly registered.

BRIEFS

ANTIDRUG OPERATIONS REPORT -- Mexico City, 8 Oct (NOTIMEX) -- National Defense Secretary Felix Galvan Lopez reported today that from 21 January to the present, 471 hectares of poppy and 614 of marijuana had been destroyed and 4 kilograms of poppy paste confiscated. In a report to President Jose Lopez Portillo, the secretary reported that during the same period, 36,834 kilograms of marijuana valued at a little over $700 million on the black market had been burned. Also during this same period, 241 kilograms of marijuana had been confiscated. [Mexico City NOTIMEX in Spanish 2104 GMT 8 Oct 82 FL]

COMMUNICATIONS RATE INCREASE -- The Finance and Public Credit Secretariat has announced that effective today, the postal rates for international mail via ground and air, as well as additional postal servides, will increase by 100 percent. The resolution on this, which was published in the Official Gazette, indicated that rates for television transmissions via satellite in both color and black and white will increase by 60 percent. Regarding telegraph services, rates will increase by 11.1 percent; and rates for the transmission of images and sound [not further identified] between Mexico and the United States will increase by .44 percent [figure as heard]. This is due to the new exchange of the peso. [Mexico City International Service in Spanish 0200 GMT 9 Oct 82 PA]

PRESIDENT ON GUARD, POLITICS, U.S., CUBA

PA111330 Panama City LA REPUBLICA in Spanish 10 Oct 82 pp 8-E, 2-B

[Zoilo Martinez de La Vega interview with Panamanian President Ricardo de la Espriella, date and place not given; all capitals denote boldface in original]

[Excerpts] Question: What is the truth about 30 July? How did the General Staff suggest that you replace President Royo?

[Answer] I spoke with General Paredes and the General Staff and they told me that the president was indisposed. He was truly exhausted and was showing physical signs of fatigue. There was also a noticeable political deterioration. I have to be honest about this: 4 years wear you out. I have been president for 70 days and I feel I have been at it for years. The General Staff felt that it was important to relieve him. They told me that every Panamanian understands the rules of baseball: "We are in the seventh inning. The score is 3 to 2, we are winning and the pitcher is tired." I told them that this whole thing was not that simple, that the democratic institution could be endangered; but they said no, President Royo has decided not to continue and that I would be the one endangering the democratic institution if I did not accept the presidency that the Constitution had assigned for me. They said that a crisis could occur if I did not accept and that they would have to find some other solution. Maybe that was what motivated me to accept the position. I have always accepted my responsibilities: have never run away from them.

[Question] What happened with General Paredes' suggestions; were they accepted? Did the National Guard want to make the way easier by adopting more delicate measures?

[Answer] We talked about this subject very extensively before I took office as president, we discussed what was happening and what had to be done. I agreed with them and I have to accept it. We did it together.

"THE NATIONAL GUARD COMPLEMENTS RATHER THAN LIMITS ME"

[Question] General Paredes keeps repeating that constitutionally, the real power continues residing with the National Guard. What is the real relationship between the president and the commander?

[Answer] The only thing about which I disagree with Paredes is in the phrase "real power;" but it is a phrase that Paredes uses to describe an association that I believe has merit. This is a harmonious relationship involving consultations and cooperation to make joint decisions. I believe that in this country the National Guard has always been active [beligerante]; it was previously behind the scenes and now it is up front and, as we Panamanians say, it is better for them to act openly, get their feet wet, accept responsibility rather than remain behind the scenes. We are a small but complicated country. I believe in the division of labor because I have the mentality of an administrator, of an executive. I can't do everything; neither can they or the legislature. Power is really an octopus with many tentacles. The mind must be clear so that each one can do his part. Above all, what we have is a close and broad cooperation between the two because we have the same goal: advancing the country along the path of true democracy; establishing a true democracy to avoid the problems currently experienced by the area because the people are not satisfied and because those who are frustrated cannot speak out. We believe that the only solution is to allow the people to speak openly about what they want and desire. I don't feel myself limited, but rather complemented by the National Guard.

[Question] What is your relationship with the commander? Is it one of friendship or simply formal?

Answer: I have an excellent friendship, a very close friendship with the general and with many members of the General Staff whom I have known for years.

Question: At this moment, what is the objective of your contacts with Dr Arias?

Answer: Ever since I first met Dr Arias, I have seen him as a man interested in the fate of Panama. Undoubtedly, he is a political force. And even as vice president, I maintained contacts with him, and on occasion I spoke with him about the need for keeping the people united. Dr Arias believes that the world will face very difficult situations, and his predictions have proved to be true. He predicted 2 years ago that an economic crisis was inevitable. He is a man who reads a lot and is well-informed. He believes that only peoples who achieve a patriotic alliance for the salvation of their countries can survive. He told me that unity should be sought at the sacrifice of personal and political interests, keeping the country foremost in mind, and only later engaging in political disputes. He has contributed to making this gradually become a reality.

Question: Do you hold frequent conversations with him?

Answer: Yes, every time I get the opportunity, in view of the admiration and respect I have for him. I like to talk with him. He is a man widely versed on the national political situation.

Question: Does Dr Arias hold any specific political role in the coming stage? Will he be a candidate in 1984 or will he become a moderator [moderador] of the process?

Answer: Frankly, I cannot respond to that. Given our relationship and that which he has with the National Guard, it is difficult to believe that we have not made any pacts, but that is the way it is. He has held these meetings for the sake of the necessary unity to enable the country to follow the path of democratization toward an adequate political solution. If he has any aspiration, he has not voiced it.

"IN THE DEMOCRATIC PROJECT I NURTURE MYSELF FROM TORRIJOS"

Question: The goal of everybody, including President de la Espriella, General Paredes and former President Arias, appears to be the perfection of democracy in our country. what is your path?

Answer: The path is difficult. The main objective is to show with facts that we are going to offer the people the political opportunity to express themselves freely in the 1984 elections, which must be broad, free and honest if possible to a point beyond honesty itself and devoid of doubts. I belong to a party, and I have said that I am going to strive to see that my party wins in the elections; but that does not mean that I am going to place myself at the service of my party. As a government leader, I must think of my country; as a citizen, I have the right to belong to a political party. If my party is not favored, if we do not work hard enough to win the support of the people in the elections, then we will hand over power.

"THE PRD HAS THE RIGHT TO CRITICIZE THE GOVERNMENT"

Question: Mr President, do you talk with opposition politicians?

Answer: Yes, with those who agree to talk with me. I am open to talking with all currents, with all persons, with whatever social and political groups are necessary. I have spoken to a few. I try to convey to them my sincerity in the democratic project, which some find hard to accept. I understand that the opposition has a different point of view than that of the government, and I have to face up to it. It is clear that the first duty of the opposition is to recover the government, and the first duty of the government is to try to do things well to preserve power.

Question: Does that mean you are making more concessions to the opposition than the opposition is making to you?

Answer: I couldn't say, but I believe that I understand their position better than they understand mine.

Question: What problems arose between you and the secretary general of the PRD [Democratic Revolutionary Party]?

Answer: I wouldn't say that there were problems. I would say that it was all a result of the surprise and the speed with which everything happened back then. There was a lack of communication with our PRD cadres and our rank and file. There was also a clash and an impact. However, there is no great discrepancy. I believe that the PRD should have the right to criticize the action of the government. It was created as a party independent of the government because it was not made to support a particular administration. The government must sustain itself with the party, but the party, as a political group, must have certain freedom to disagree with government positions. I also reserve my right as a citizen to criticize the government. What I've asked my party to do is to improve itself internally, to unite to go forward and not to retreat; I've asked my party to get out in the arena and win the political struggle.

Question: Do you talk with Perez Balladares periodically?

Answer: Yes. Perez Balladares and I are old friends. We've been comrades in the struggle for many years and were very close to Omar. I talk with him frequently.

Question: In other words, the relations between the president and the party are apparently going well.

Answer: I would say that the party has begun to understand its president.

"PANAMA'S PEACE IS BASED ON DEMOCRACY"

Question: When a vice president replaces a president, there is a certain feeling that he's in the position termporarily. Will you make your own policy? Are you making it? What is it?

Answer: I believe that I am showing that I am going to make my own policy and that I am already doing so. I have said that I will be stubborn but I believe that the only way to avert the situations of violence such as those occurring in Central America is to institutionalize true democracy in Panama. We have great social and economic problems and we must devote ourselves to solving those we can solve in the best possible way. I have been described as an administrator and a banker; therefore, I must make this policy. The first days of my presidency have been necessarily devoted to political affairs and I have not gotten involved in the administrative part of the job. We have still not implemented the program to try to greatly improve the economic bases which are so badly affected at this time.

Question: Based on your administrative experience, tell the country the truth about the economic situation. Is it as serious as the opposition claims?

Answer: It is not as exaggerated as our friends in the opposition claim; however, it is a difficult situation. Panama can be no exception in the world. If a country as industrialized as Japan, which is one of the great economic powers, has experienced a drop in its exports for the first time in 30 years and has begun to feel the effects of the world crisis, how can Panama not experience this to a much greater degree? The measures that must be taken to make economic corrections cannot be popular measures. But the country has to survive and I will have to take certain steps which will not make me too popular. But this is a responsibility I must accept. We were successful with the IMF and the World Bank during our recent trip to the United States. Despite the difficult financial situation we are experiencing, the IMF praised our government's economic action. But I told them that despite the praise, the people are suffering. They told me to look around and see how our Latin American brothers are doing: "You are making a great effort to mitigate the crisis."

I believe that this deserves to be announced even if the people cannot agree with the consequences of these corrective measures.

Question: What are the economic outlooks for the short, medium and long term? Are they hopeful?

Answer: Yes, I believe there is hope. If we didn't make any corrections we would then fall into economic chaos, but if we make these corrections, we will be able to improve the situation with great programs and more jobs as well as by controlling the cost of living so that it remains stable and by improving our purchasing power. However, we are still in the stage that necessitates sacrifices.

"PANAMA IS A FRIEND OF THE UNITED STATES TO THE EXTENT THAT IT RESPECTS PANAMA'S DIGNITY, SOVEREIGNTY AND RIGHTS"

Question: What were the specific economic results of your visit to the United States?

Answer: The immediate result was a loan agreement for the development of agricultural production which we signed with AID. The main reasons for my trip were political, but we established that it was necessary to eliminate the double salary scale in the Canal Zone, which is affecting the canal workers and the country's economy because it discriminates against Panamanians. We emphasized that this salary discrimination against Panamanian workers, who should get equal pay for equal work, is no good for the U.S. democratic image. They promised to review this matter as soon as possible. The other issue discussed was the dredging of the canal entrances and the widening of the Gaillard Cut so that the canal can continue to operate effectively after 1992-93. This work will take several years because traffic cannot be interrupted, and might cost as much as $300 million. We signed an agreement to begin structural feasibility studies for a sea-level canal or another set of locks. We discussed the fact that we received a railroad which was in bad condition when the treaties went into effect. Although we have to maintain it, the treaties say that if we can't, the railroad will be returned to the United States, which will bear a very high political and economic cost. Therefore, we asked the United States to help us improve and maintain the railroad. We discussed next year's projects with the World Bank. We talked with the IDB and the IMF regarding the financing of the "La Fortuna" hydroelectric project. But the greatest political achievement was that President Reagan told the world of his commitment to respect the Torrijos-Carter treaties. I have to recognize President Reagan's political courage in promising to respect and implement the treaties in their entirety. He even asked his team to carry out a thorough study of Law 9678, known as the Murphy Law, in order to try to eliminate conflicts which Panama has mentioned.

Question: What was President Reagan's attitude toward you?

Answer: He took an attitude that was sincere, positive and of true appreciation for Panama.

Question: Does President Reagan understand the usefulness of Panama's peace as well as Panama's role as a local peacemaker in the region?

Answer: I could not tell you because we did not discuss this in detail. What I can tell you is that he respects Panama's role. We emphasized this neutrality policy directed to all countries so that, if asked, we can act as either mediator or interlocutor with countries in conflict. I think that the State Department clearly understands our policy. I said that our country is a friend of the United States but noted that that friendship depends on the respect shown for Panama's dignity, sovereignty and rights.

Question: Mr President, did you expect a priori that the meeting with President Reagan and the visit to the United States would be as positive as it turned out?

Answer: Honestly speaking, no. I had prepared myself for difficult moments. I am a fervent believer. I believe that in this regard God has been kind to me and to the Panamanian people. I went on that visit somewhat tense, but things started becoming easier until we reached a climate of full sympathy. I know that all the honors received were not for me but for the Panamanian people in recognition of their historic and political worth.

Question: Did you discuss the role of the National Guard with Reagan?

Answer: We spoke about the National Guard's role in the democratization process. I explained what we are trying to do to him and he praised the Guard, saying it is an example for the region.

Question: Has there been any specific implementation of the Reagan plan for Central America and the Caribbean in what concerns Panama?

Answer: We discussed his plan. I told him that if he is able to have Congress approve the plan as he has presented it, there will be, as I see it, a future with great possibilities, but right now other actions are required to help our countries pull out of the crisis. I also told him that since he met in Cancun with the rich countries of the world, he could meet in Panama with the poor countries of the area and discuss the implementation of his plan with them as well as all his concerns.

"OUR POLITICAL MATURITY IS A GUARANTEE OF OUR RELATIONS WITH CUBA"

Question: In Costa Rica, you voiced your concern over Nicaragua's arms buildup and the radicalization of its process. Did you discuss this in the United States and did you reach any agreement?

Answer: Not on Nicaragua specifically. We discussed the region and agreed that the solution must be political and not military. Any war action would accomplish nothing but set all America afire and all of us, beginning with the United States, would be the losers.

Question: Before your trip to the United States, a Cuban delegation came to Panama; and after your return, a Panamanian delegation went to Cuba. Is there any connection between this and your trip?

Answer: Not really. Hard as it may be to believe this, it was sheer coincidence. The mission came to see what was going on in Panama in the wake of the change of government. They came to see if De La Espriella is a backward man, a rightwinger, a caveman, and to see if we were going to become radical and support actions against Nicaragua and Cuba. We spoke clearly to them. We respect our neighbors and demand the same treatment. General Paredes had decided that two military officers should repay the visit. In order not to interfere with my trip, they decided to wait until I returned. We increased the size of the delegation to two presidential delegates and two military delegates. Again, they told the Cubans that we have maintained our line, that we are respectful and demand respect, and that we think the region needs dialogue and understanding. Dialogue and understanding would have an effect on the inhabitants of the region, in the first place, on their individual dignity.

Question: Both the Cuban delegation's visit and the Panamanians' trip to Cuba have caused great concern here. Do you think there is any reason for this?

Answer: I would say that there is nothing to worry about. This is not the first time that we have met with the Cubans, with whom we maintain diplomatic, commercial and cultural relations, and nothing has happened. We have acquired great political maturity. If we can maintain relations with the United States, we can also maintain them with the Cubans or with any other country. Our political maturity is the guarantee.

Question: Upon returning from the United States, how did you evaluate that experience?

Answer: On a personal level, I value it as a great political lesson. I think that the U.S. Government has given recognition to our people. I think the United States has learned to value both our people's attitude toward the United States and the role that Panama plays in the region.

Question: Mr President, what is your real political ideology?

Answer: At the Council of the Americas in the United States, I said that human beings are neither capitalist nor communist by nature. The extremes are cultivated in the ideology of hunger. This is currently affecting the world, and this is what we want to prevent in Panama. My political line is to try to help Panamanians achieve the better life they deserve, not as a result of paternalistic concepts, but as the result of democratic institutions that give man the chance to develop. That is my ideal and my line.

Question: How would you like your people to remember you?

Answer: I would like to be remembered as a man who knew how to interpret them and who respected them.

PRESIDENT GIVES STATE OF NATION ADDRESS

PA111940 Panama City Domestic Service in Spanish 1723 GMT 11 Oct 82

[State of the Nation address by Panamanian President Ricardo de la Espriella on occasion of the opening of the fifth period of regular sessions of the National Assembly of Corregimiento Representatives at Justo Arosemena Legislative Palace in Panama City -- live]

[Text] Mr President of the Honorable Assembly of Corregimiento Representatives, gentlemen vice presidents, madam representative of the Supreme Court, Mr Vice President of the Republic, gentlemen ministers, gentlemen members of the General Staff of the National Guard, distinguished members of the diplomatic corps, ladies and gentlemen, my friends, the representatives:

We have come to this honorable assembly today to inform you of the actions of the administration in the past 12 months. A detailed account of the matters which received the attention of the various sectors and entities of the government is condensed in the annual report that you will receive. However, we feel it opportune to submit to the consideration of this assembly and the local community, certain interpretations of the significance of the main events of the last period and of the most relevant national tasks for the upcoming period.

We are living in difficult times, locally as well as abroad. The complications of the present situation challenge us, and we will face these challenges convinced that we are acting in the best interests of our homeland.

Panama is in the center of a region that is seriously affected by acute social and political problems which have been aggravated in the past few years by the suffocating economic pressure that all developing countries are suffering. This is a pressure which the most industrialized and powerful nations on earth have been unable to avoid.

In various countries of the area, the crisis has led to situations of violence, which are becoming increasingly diffuse and bloody. These situations can convert the region into a zone of disaster. Tension in Central America has reached a dangerous extreme of polarization and if wise actions are not taken, any incident can generalize the conflict with uncontrollable and tragic consequences.

The increased threats in the area can have other, more direct effects on our country. According to a certain bilateral interpretation of the letter of the canal treaties, an increase in the foreign military presence in our country could be justified, seriously harming our country's sovereignty and even provoking reasons for conflicts which we never want to see again.

Therefore, Panama has been developing a foreign policy that is aimed at contributing to the peaceful solution of the problems existing in the region. Consequently, we maintain our status as a nonaligned country. We are nobody's enemy. We threaten no one's security, we disrespect no one's sovereignty. For this reason, we can demand equal respect for ourselves. [applause]

We believe that all governments are obligated to guarantee the conditions under which the individual, as a human being, can satisfy his most basic needs in the first place and then develop his creative and productive capacity until he can develop fully.

When governments fail and when life becomes a luxury, entire society becomes frustrated and traumatized, which results in a search for answers through violence. Therefore, it is an urgent goal of our government to establish the conditions under which we can guarantee our nation's normal development and peaceful progress for present and future generations of Panamanians.

Nobody can ignore the fact that Panama is one of the countries with the best opportunity to avoid the rigors of the present international situation. This is because a process of deep changes was started in the country in the past decade. First, we eradicated many of the basic causes of the political conflicts stirring up other regional countries. Secondly, we completed the complex process of negotiations to perfect our national sovereignty. This permitted the establishment of more just relations with the United States of America, a country with which we have been linked for special historical reasons.

Our recent trip to the United States was precisely aimed at guaranteeing that these relations continue and develop within the framework of the mutual respect and sovereign dignity which our people's ancestral and generational aspirations demand. [applause]

The U.S. President personally promised us that he would effectively enforce the spirit and letter of the Torrijos-Carter treaties. He immediately ordered a review [revision] of those aspects which currently interfere with this objective.

The achievements we have mentioned have preserved Panama's stability despite the rigors of the world economic crisis and the regional political situation. It is therefore the duty of every Panamanian to be watchful so that the country's evolution and political process can continue without endangering that stability, because it is not the government's interests or those of certain political sectors which are at stake, but the interests of the entire nation.

Those who demand the radicalization of the revolutionary action are losing sight of the historical perspective that in order to achieve greater transformations, one must ensure a homeland where one can bring about these transformations. Similarly, those who aspire to halt the country's revolutionary evolution, while dreaming about resuscitating structures of the past, are placing themselves at the edge of history, trying to ignore the fact that the conquests of these people are already a part of their history and are rooted in the very essence of our nationality. [applause]

To fall into either extreme will only help establish chaos within the Panamanian family. Nonetheless, there are those who, because of their vested interests, and with the marked desire to confuse, seek to make others believe that we are trying to return to the past. Nothing could be farther from reality. We want to purify and democratize the system with neither arrogance nor sectarianism because our achievements are the patrimony of the entire people, not merely of certain sectors or groups.

In order to further this work, we must also recognize that we have made some mistakes and that these must be amended.

We had to stop to review the path we've trod and to look toward the future in a responsible way, overcoming group-oriented narrow-mindedness, a certain administrative negligence, as well as comfortable and childish triumphant boasting. This will enable us to become more familiar with our own forces and to outline the strategy that will enable us to continue advancing with our feet firmly on the ground, framed by reality rather than by utopian mirages. In order to do this, we have a guide: Omar Torrijos' ideology. [applause]

He personally outlined the deomcratization program which our administration has now promised to develop in its entirety. Only within its framework is it possible to overcome stagnation, to revitalize the homeland's political network and to expand the opening of the national political debate in order for new ideas and new leaders to emerge. In short, this is a program to prevent bureaucratic stagnation, to make us take to the streets in order to learn the people's wisdom and for the leaders to get used to subjecting their work to the citizens' opinions every day. [applause]

Those who are truly identified with their communities, with the sectors and groups that they represent, have nothing to fear from this revitalizing test. It is logical that those who have moved away from their people's mandate, those who have become new caciques or have acted for their own personal benefit should feel afraid. [applause] We are sorry for them, but they must make room for new leaders, new guides. Only the people have the power to keep someone in his post or to choose new leaders.

Gentlemen representatives, the desired reforms should be viewed as the logical, natural and historical continuation of the reform introduced in the 1970's. The national economic, social and cultural plans were democratized during the last decade to include the communities and the unions in the making of those decisions that might interest them. The political space must now be expanded, strengthening the structures that were renewed by the process itself. This can and must be done without harming the conquests made and without endangering the country's stability. [applause]

Within this framework, we will develop the political parties' participation. We will also implement the necessary constitutional amendments and legislative actions.

This must lead to free, efficient and honest elections in 1984. The main objective must be to guarantee a multiparty election process with real participation by all the national political sectors to elect a government that is the most legitimate reflection of the people's will.

In addition to the direct election of the next president of the republic, we think that another manifestation of our disposition to face political challenges could be electing our mayors by direct popular vote. And you, gentlemen Corregimiento representatives, could have new opportunities to show the country that your leadership within your community merits your being the directly elected representative of the executive in that community.

Those who aspire to defend and deepen achievements from within the next legislative organ must do so by preparing the best projects and by contributing, without being sectarian, to the realization of positive initiatives from other sectors in this assembly.

If the polls show that other forces have gained the people's trust because we have been unable to maintain that trust, then we will have to surrender power to that force, because this is what democracy means.

In this context, we accept the decision of the Democratic Revolutionary Party [PRD] to declare its independence from the government. This independence is one of the party's fundamental principles.

We cannot but be prepared to accept whatever constructive criticism that political group may make regarding our administration. Likewise, we, as members of that party, reserve for ourselves the right to criticize its actions whenever we feel that those actions are not in line with the country's true situation.

The PRD is made up of the largest sectors of Torrijism and its principles and programs commit the party to its rank and file. It is not, and it must not be, a bureaucratic appendix of the executive; rather, it should be a force that channels the Torrijist sectors. As such, the party is responsible fot the participation of its rank and file in the formation of the country's political future and should have a leadership that will really interpret the will of the majority in a framework of true participative democracy.

We are committed to a healthy and efficient public administration that will solve the inefficiency and improvisations of the past in a short period.

We are capable of making the necessary corrections and are working with determination and energy. However, it must be understood that this will not be enough to resolve all the difficulties because there are powerful external and concurrent factors beyond the control of the national government, whatever government that might be.

Panama is being hit by the recession and by other economic circumstances faced by the Third World countries, especially by the Latin American countries. We also face other effects of the social, economic and political problems endured by neighboring countries.

We have repeatedly said that the goods and services produced and exported by our countries are not fairly priced on the international market or on the U.S. market. The prices of our products continue to fall. However, the material, technology and financing that we have to import to support ourselves and to develop continue to become more expensive.

Lately, Panama has been feeling the effects of the economic crisis in Central America and other countries. A crisis is not transmitted because of geographic proximity, but crises provoke disruption. For example, Panama has lost an important amount of income because of the paralyzation of Central American tourism due to the economic and political problems of the region. Likewise, some important traditional Latin American clients of the Colon Free Zone are no longer able to continue buying. As a result of this situation that the world and the region are enduring, our economic system has been seriously affected. It is not always possible to compensate for the losses by obtaining foreign loans and pushing our credit capacity. We did this before in a responsible fashion to finance positive development projects; it was done at a suitable moment. But external credit conditions have become increasingly burdensome and have been aggravated by the size of our debt.

This is an appropriate moment to state here that while it is true that the administrative responsibility we have imposed on ourselves has been viewed favorably by international financial organizations such as the IMF, the World Bank and the IDB, this trust must not feed false expectations that will distort the true situation.

We all know that we must not spend more than we make and that we must not always buy on credit or ask for loans because we risk falling into the hands of creditors or going bankrupt, as has happened to other countries. We don't want this, and we cannot let this happen.

Therefore, we are obliged to restrict public expenditures, and must also concentrate our efforts on increasing production in all sectors, to produce substitutes for imported products and to find other sources of income.

Therefore, the government has the responsibility of restricting public expenditures under the present circumstances. This means that we can offer neither more subsidies nor more jobs to the public administration. We must use the resources available for what is most essential.

The problems we are facing now demand that all Panamanians seek new ways to adjust to the true situation. For example, we cannot continue to accept the fact that young families cannot find a home that economically suits their needs. We cannot look with indifference at how families are broken up for lack of jobs and the economic support necessary to take care of their basic needs.

Laws are norms that regulate social coexistence. Therefore, they are subject to changes being made as the situation evolves. Laws cannot be immutable.

For this reason, it is necessary that we review all of our laws. For example, we will have to review the housing laws in order to encourage the participation of the private sector in the construction of new housing so that this burden will rest not only on the government, but on all the groups that make up the Panamanian nation. We must do the same with the labor laws, without endangering the gains achieved by the working class, in order to increase productivity and production with laws that guarantee reasonable profits for those who invest in the creation of new jobs, as well as just salaries for those who work, thus guaranteeing peaceful coexistence for the country.

This must be a review that takes into consideration the goals of the private sector and the aspirations of the labor and union forces.

It is true that these aren't the kind of measures that win easy popularity for a leader. However, we must responsibly face these problems and overcome them without encouraging opportunism. It must be understood that this is done in the interests of the entire nation and that this burden must be equally distributed among all sectors of the country. It is not fair that most of the restrictions always affect the poorest sectors. We must all assume the responsibility of sharing the present situation. The present moment imposes the responsibility on Panamanians of adjusting to the realities we have mentioned here. This is a moment for responsible actions and specific facts. It is not the time for demagogic stands or simplistic rhetoric.

We have problems, that is true. But nobody can demand complete maturity from a nation with a young republican history like ours. Thanks to God's kindness, our chances of solving the temporary domestic situation are much better and more encouraging than those of other countries that are bigger and have more resources than us. For this reason, we must preserve national unity as a decisive factor in our coexistence.

As long as we are able to stay calm, respectful and tolerant, we will continue to develop our capacity to face the challenges of the future. As long as we can prevent immaturity from replacing wisdom, wisdom will continue to be the main force that will make the rights of Panamanians prevail as a basic condition for the justice and social peace that our people demand.

All Panamanians must be involved in this commitment, aware of our responsibility to the fate of our fatherland, a responsibility whose dimensions will be valued and appreciated by future generations.

Thank you. [applause]

STATEMENT ON REVOLUTION'S 14TH ANNIVERSARY

PA111554 Panama City Domestic Service in Spanish 1352 GMT 11 Oct 82

[Statement signed by Brig Gen Ruben Dario Paredes, commander in chief of the Panama National Guard, and published in the General Order of the Day on 8 October 1982; read by unidentified speaker at the National Guard ceremony held to commemorate the 14th anniversary of the 11 October Revolution -- live]

[Text] On 11 October we commemorate the 14th anniversary of a historic event in which the National Guard was a markedly relevant protagonist. Due to the homeland's urgent needs, we men in uniform had to take up the reins of power and lead the Panamanian nation along paths of work and development. Since then, very special circumstances have turned our public force into an active and decisive entity in the complex tasks connected with the public affairs where only the weapons of dialogue and good will have been used.

This significant phase of our history has passed amid relative tranquillity and calm, bringing together civilian and military efforts in order to transform and strengthen the Panamanian economy to achieve the general welfare.

The doctrine upheld by the great teacher, Omar Torrijos Herrera, remains in effect and is the unalterable lodestar of all our actions. Today we have a National Guard that is completely identified with the people and their struggles, with no boundaries to separate our common purposes and goals.

Our rifles are not to be aimed at the noble causes of the workers, or to repress the students' just demands. They are not to silence the peasants' legitimate claims or our compatriot's genuine and valid clamor. All sectors, without distinctions of any kind, must feel equally protected by the National Guard's actions. Our sacred duty is to the homeland and our people. We firmly believe in individual freedom and in the development of free enterprise as factors for socioeconomic development that will benefit all those who, through their work and dedication, help achieve better days for this and the future generations.

We realize it is essential that tranquillity and social peace continue to prevail among us in order to achieve the much desired unity of all Panamanians. The October Revolution would cease to be what General Torrijos wanted it, were we to stray from the path of frank and open dialogue, which is the principal basis for the development of all peoples, or if we were to allow ourselves to be dragged by passion and misunderstanding.

Our motto yesterday, today and always, as a professional and progressive institution, is to strengthen ourselves concurrently with the Panamanian homeland's progress, in a climate of freedom with order, a climate of increasing national unity and of pure patriotism.

DIFFERENCES WITHIN LEADERSHIP ANALYZED

PA120319 Panama City LA PRENSA in Spanish 11 Oct 82 p 1

[Article by Luis Estribi: "The National Guard Doesn't Guarantee the Revolutionary Path"]

[Text] In an interview granted to the U.S. newspaper THE MIAMI HERALD, Gen Ruben Dario Paredes, National Guard commander and natural spokesman for the General Staff of our armed institution, said: "The National Guard will not even attempt to guarantee that Panama will keep to the revolutionary path."

The Panamanian military leader's obvious reference to the Democratic Revolutionary Party, PRD, a center-left populist party founded by the late General Torrijos Herrera, constitutes a severe blow to the PRD's aspiration to maintain political hegemony based on the support of the National Guard and the effectiveness of the "revolutionary process," which the new De La Espriella administration began to dismantle when it took office last 30 July.

In the same way Paredes' statement contradicted his comrade in arms, Col Roberto Diaz Herrera, who recently said in Rio Hato that there existed an indissoluble link between the party founded by his late first cousin and the PRD [as published]. On that occasion, Paredes had said: "Let us judge by what we do and not by what we say," in an effort to play down the indiscretion of his subordinate Diaz Herrera.

Once more the general admitted that the National Guard holds sway over a vast sector of power, and he later indicated that even though "the trend of the military is to deny that they hold power, I am very frank. Some people even say that I am naive."

In the interview granted to Juan O. Tamayo of the HERALD "staff," the military officer added that "we have a very harmonious relation with the civilian government, and we share with them in making some of the most important decisions."

Contrary to this, in an interview granted to newsman Zoilo Martinez de la Vega published in Panama, President de la Espriella asserted that he differs with "Paredes on the term real power; but that is a term that Paredes uses to describe an association that I think is valid."

Paredes confirmed that he sent a message to Cuban President Fidel Castro warning him to "halt his intervention in Central America," and that he condemned the "Cubanization of the Central American revolution with the extracontinental interference of the Soviet Union," adding that the message was also favorable for the United States.

Col Manuel Antonio Noriega, chief of the G-2, recently hinted about the possibility of Panama sending its soldiers to Costa Rica to defend the Costa Rican border against militarized Nicaragua. Noriega is heading a Panamanian delegation that is discussing the situation of Central America with Fidel Castro. The Panamanian warning to the Cuban president includes a firm statement that for the purpose of its defense, Panama considers its borders well into the territory of its northern neighbor.

The Panamanian National Guard commander announced in his interview that the instability unleashed by the violence in the isthmus is getting increasingly closer to Panama. "We can smell the blood and gunpowder from Central America," he said.

Paredes revealed that the National Guard plans to acquire $5 million worth of armored vehicles, mortars and infantry equipment. This purchase of military equipment will be earmarked from the $50-million loan that the United States granted to Panama as part of the commitments acquired under the signing of the Torrijos-Carter treaties.

Asked about his controversial presidential candidacy, the general hesitated, then stated: "I do not want to talk about that as long as I am still wearing a uniform." Nonetheless, Paredes said that he felt competent for the post, and he recalled that he was the son of modest parents and had acquired much political experience during the 3 and 1/2 years that he was agriculture minister in Omar Torrijos' government.

COSTA RICA

PRESIDENT MONGE ON TALKS WITH NICARAGUA

PA120334 San Jose Radio Reloj in Spanish 0100 GMT 12 Oct 82

[Text] Foreign Minister Fernando Volio Jimenez will not go to Nicaragua under conditions that are preestablished by Nicaragua, President Luis Alberto Monge has said, referring to the invitation that the Nicaraguan Government extended to Volio Jimenez. Monge said that Volio was going to Nicaragua to expand and explain the objectives of the Forum for Peace and Democracy and not to discuss bilateral issues.

President Monge said that the statements by Nicaraguan authorities to international news media in relation to the foreign ministers meeting in San Jose have been most unfortunate. We are speaking different languages, President Monge said, referring to the Sandinist leaders' statements.

President Monge expressed deep regret for those sectors trying to distort the intentions of a peaceful and peace-loving country like Costa Rica, trying to make it appear interested in starting an armed attack against a neighboring country.

CLARIFICATION OF U.S. POLICY ON CUBANS SOUGHT

PA081629 San Jose Radio Reloj in Spanish 0100 GMT 8 Oct 82

[Text] The government is waiting for a clarification of the U.S. policy on refugees. Justice Minister Carlos Jose Gutierrez has said that a note on the U.S. policy on Cuban refugees is expected from the U.S. Government.

He said: We cannot admit more people from the Caribbean, because thay cannot stay in Costa Rica. The U.S. policy in this regard is not very liberal; it is contradictory. Therefore, we have asked the Reagan administration, through the U.S. ambassdor, to state clearly whether or not it will accept more Cubans and under what conditions. Costa Rica can serve as a bridge for humanitarian reasons, but it will carefully determine whether the Cubans meet the requirements to move to the United States.

DIPLOMATIC VISAS FOR XINHUA REPORTERS REVOKED

PA081656 San Jose Radio Reloj in Spanish 0100 GMT 8 Oct 82

[Text] Today Foreign Minister Fernando Volio Jimenez cancelled the diplomatic visas that had been issued to four correspondents of Communist China's XINHUA agency. The Foreign Ministry also decided on 22 July to cancel the diplomatic identity cards that had been granted them by the previous administration, because the current government feels that the correspondents do not meed the requirements for this kind of visa. [words indistinct] the diplomatic visas, because the four XINHUA correspondents are not entitled to this status.

[Words indistinct] The correspondents have no right to the diplomatic visas and identity cards and have given instructions to the immigration and national [words indistinct] authorities to ask them to leave the country.

The XINHUA correspondents worked in Costa Rica for approximately 2 years in violation of the law on journalism because of the protection that the diplomatic credentials granted by the previous government gave them.

KIDNAPPED ARGENTINE THOUGHT TO BE SPY

PA101645 Panama City ACAN in Spanish 1416 GMT 9 Oct 82

[Text] San Jose, 9 Oct (ACAN-EFE) -- A police report indentifies Argentine citizen Hector Fernando Frances Garcia, who was kidnapped 2 days ago in this capital, as a former second lieutenant in the Argentine Army and links him to an alleged espionage mission.

Eduardo Aguilar Bloise, general director of the Judicial Investigation Organization (OIJ), has explained that the kidnapping "obviously has the characteristics of political reprisal."

Frances allegedly worked with several South American intelligence organizations, but it is not yet known what mission he was carrying out in Costa Rica and perhaps in Tegucigalpa. According to police sources, the kidnapped man had been receiving money from an as yet unidentified organization in Argentina. The OIJ, however, has some information on the nature of this organization. According to Aguilar Bloise, very little information about the kidnappers is available and nothing ahs been learned about their whereabouts or their base of operations. Nevertheless, he did not discard the possibility that they might be in the "safehouse" of some Central American guerrilla cell.

According to the OIJ director's report, the kidnappers "are young and well built" and they entered the country clandestinely. Probably with local logistical support. Furthermore, the way Frances was captured shows that there was interest in taking him alive in order to get information from him. Aguilar Bloise says the kidnappers will probably not demand any ransom. This would suggest that they either want to "execute" him or to exchange him for some Central American detainee. The OIJ officials feel that "although no group has yet claimed credit for the kidnapping, there is no doubt that Frances was captured by ideological enemies."

Commenting on the possibility that Frances might be executed, the authorities warned that "we are on the threshold of a serious wave of such incidents, due to the presence of spies from one ideological extreme or another."

Police are on the trail of a Spaniard identified as Rafael Lorenzo Garaeiz Ormaechea, in whose name the vehicle in which Frances Garcia was kidnapped was rented. The civil guard has announced that it located the car used by the kidnappers; it had been abandoned 6 km west of the scene of the incident. According to the report, the car had been rented by Spaniard Garaeiz Ormaechea, who used a passport to identify himself. At the car rental agency he tolad the employees that he worked in "the episcopate in Madrid." The Costa Rican authorities have asked the Spanish police to help determine Garaeiz Ormaechea's true identity.

MONGE TO KEYNOTE MEETING IN PUERTO RICO

PA111340 San Jose Radio Reloj in Spanish 1200 GMT 11 Oct 82

[Text] Monge has been invited to participate in a forum of private businessmen that will take place in San Juan, Puerto Rico, during the first days of November. President Monge, who will also attend the congress of Central American and Caribbean cooperatives, will be a main speaker at the businessmen's forum, presidential sources have said. According to President Monge's schedule, he will go to Puerto Rico after attending a Washington meeting on the development of representative democracy.

VICE PRESIDENT POSTPONES TRIP TO TAIWAN

PA121405 San Jose Radio Reloj in Spanish 1200 GMT 12 Oct 82

[Text] Vice President Alberto Fait's trip to Taiwan in the latter part of this month has been postponed in view of President Monge's scheduled trip abroad. The vice president, will visit San Diego, California, on 22 October to receive an honorary degree from that city's university. On that occasion, Fait will deliver a speech stressing the importance of regional cooperation to promote the economic progresses of developing nations.

EL SALVADOR

GUERRILLAS LAUNCH BIGGEST OPERATION SINCE JULY

PA121400 Buenos Aires LATIN in Spanish 0239 GMT 12 Oct 82

[Text] San Salvador, 11 Oct (LATIN-REUTER) -- According to military sources, leftist guerrillas, in launching their biggest operation in months, have seized two towns in the north and have attacked army positions in the central part of the country after engaging in heavy fighting the last 48 hours. Only partial information is available as to the number of casualties, but according to the sources, some 34 rebels and 10 soldiers died over the weekend.

In the north, some 700 guerrillas seized the towns of Las Mueltas and Jicaro, near the border with Honduras, and made the soldiers in the local army garrison disperse.

Diplomatic observers have described this incursion as the biggest guerrilla action since July. The intensification of the struggle followed weeks of relative calm and reports that both the government backed by the United States and its leftist enemies were discussing ways to begin a dialogue to seek a negotiated solution to this country's 3-year civil war.

According to military sources, the guerrillas also attacked the village of El Paisnal, on the western foothills of Guazapa Volcano, in the central part of the country. The sources added that the Salvadoran Army was planning to drop paratroopers in the northern combat areas because the rebels have mined the principal roads in the area and it is believed that they are planning to lay an ambush.

The military sources have also announced that a 200-guerrilla task force laid an ambush near the Pan-American Highway on Friday and killed six policemen, including the Berlin police chief.

Meanwhile, the guerrillas have continued their campaign to paralyze El Salvador economically by blowing up electrical installations.

Government officials have announced that vast areas in the eastern part of the country, including San Miguel, the country's third leading city, were still without electricity today after the guerrillas blew up several electricity towers last week.

ARMY DENIES BOMBING OF VILLAGES ON GUAZAPA

PA122155 San Salvador EL MUNDO in Spanish 11 Oct 82 p 3

[Excerpts] The headquarters of the Armed Forces Press Committee, Coprefa, denied today that Salvadoran air force, FAS, units recently attacked the slopes of Guazapa mountain, much less that there were any casualties as a result of those alleged bombings.

Coprefa spokesmen said this in response to an international news dispatch from ASSOCIATED PRESS, AFP, datelined San Salvador, which said that three FAS airplanes had strafed and bombed villages on the slopes of Guazapa mountain, killing 20 civilians.

Coprefa reiterated that the Armed Forces launched no operations in that area last week. It indicated that the army has staged combing operations in response to harassment actions by terrorist groups in other parts of the country. Such an operation was carried out in San Jorge, San Miguel, where a military patrol clashed with terrorists who were holding up vehicles and peasants.

There are also reports of harassment actions by terrorists in urban and rural areas in the country's interior, like the harassment actions staged against the repeater station belonging to the National Telecommunications Administration, ANTEL, in El Pacayal, San Miguel Department.

LEGAL AID OFFICE DENOUNCES CIVILIAN EXECUTIONS

PA081212 Paris AFP in Spanish 0102 GMT 7 Oct 82

[Text] San Jose, 6 Oct (AFP) -- A total of 3,059 people, noncombatant civilians, were illegally executed in El Salvador in the first 6 months of 1982, "most of them by government agents," the Salvadoran Christian Legal Aid Office charged in its bulletin SOLIDARIDAD, which was released here today.

"The executions," the legal aid office said, "are almost entirely the result of action by members of the Army, National Guard, National Police and Treasury Police" of El Salvador against "the defenseless civilian population," particularly the peasant sector, which the government forces view as "collaborators or sympathizers with the opposition insurgency."

The figures given by the legal aid office, an institution founded under the sponsorship of the assassinated Archbishop Arnulfo Romero, "do not include events of collective violation of the right to life, like that which presumably occured on 30 May in Los Amates and Santa Anita on the border with Honduras."

In that case, it added, no less than 300 peasants -- men, women and children -- died while fleeing to the neighboring country, under pursuit by the Salvadoran Army.

"The violation of the right to life grows worse with the increase in the Honduran Army's cooperation with the Salvadoran Army, as well as with the U.S. donation of A-37 airplanes, which the Air Force uses to conduct saturation bombings that cause a higher level of destruction among the civilian population," the bulletin stressed.

It also mentions the names of and data on people who were arrested by the authorities and later found dead; including 21-year-old peasant Luis Alvaro Rosales, 25-year-old worker Victor Manuel Palacios Rivera, 32-year-old Julio Cesar Munguia and 23-year-old Roberto Pena Ramos, all "violently" captured in June.

The SOLIDARIDAD bulletin also mentions the charges made by San Salvador Archbishop Arturo Rivera y Damas, who said on 4 July that "the death squads still act with impunity in our streets and we don't know what is taking place in the zones of conflict" where the Army and the FMLN are fighting.

BANK PRESIDENT COMMENTS ON DEFICIT, REFORMS

PA081540 San Salvador EL TIEMPO in Spanish 5-12 Oct 82 p 1

[Excerpts] According to Alberto Benitez Bonilla, president of the Central Reserve Bank of El Salvador, the flight of capital is greater than $1 billion.

On another subject, Bonilla also said that for 1982 a deficit of 800 million colones is expected in our balance of payments, whereas last year the deficit was of 750 million colones.

Bonilla discussed these and other subjects in an interview:

Question: How is the balance of payments maintained?

Answer: Our traditional exports are coffee, cotton and sugar,. The prices for these products have been very low and since we did not export last year we had a 750 million colones deficit. For 1982 it is believed that this deficit will increase to 800 million. This causes a serious problem in foreign exchange.

Question: But it is said that the flight of capital is greater than $3 billion?

Answer: Perhaps not so high, but it does surpass $1 billion. This is affecting us seriously. We have the deficit because the people overestimated imports and underestimated exports and other income, like commissions paid by foreign firms.

This system has been used to take foreign exchange out of the country. It is not, as some people believe, that those who take foreign exchange from the country took it out of the banks and sent it abroad. There are other ways in which this can be done.

As a result, we have no raw material to produce. Thus, a vicious cycle has come about; the foreign banks do not give us financing because we are not producing and we are not producing because we can't get the foreign exchange necessary to purchase the raw materials needed to produce.

Question: Have the reforms influenced this?

Answer: The reforms have functioned properly. Perhaps the agrarian reform has not functioned 100 percent but this is probably because of the time chosen to implement it. The success of the agrarian reform has been undermined by the guerrillas. Some farmers have withdrawn because of threats. Even those concerned have blocked the reform, and the left, which in any other country would have supported agrarian reform, has acted differently here.

Question: And the banking reform?

Answer: It has been a complete success. The shareholders have already been paid off in bonds. They have received 40 percent of the bonds in cash, plus up-to-date interest. This includes the savings and loans associations. As for the increase in deposits, this is the only area that shows a growth rate as effective as that of loans for production. The financial system reform was indispensable and concomitant with the agrarian reform. Otherwise, no bank would have granted funds to the cooperatives.

GUATEMALA

CASTILLO ADDRESSES UN GENERAL ASSEMBLY

PA122311 Madrid EFE in Spanish 0041 GMT 12 Oct 82

[Text] United Nations, 11 Oct (EFE) -- Guatemalan Minister of Foreign Relations Eduardo Castillo Arriola told the UN General Assembly today that the Guatemalan people will exercise the universal right to free suffrage for the first time in 1983.

Castillo Arriola said that until that time, the Guatemalan Government, led by Gen Efrain Rios Montt, will try to meet certain goals that it has set for itself in order to achieve peace in the country, particularly in certain regions that are being seriously troubled by guerrilla factions.

The Guatemalan Government also plans to incorporate large segments of the Indian population into the country's mainstream, thus eliminating the current huge social differences.

Other government [aims] are to heighten respect for human rights, to reactivate the country's economy and to establish the necessary conditions so that Guatemalan citizens may freely elect their authorities, thus returning to constitutional normality.

In this connection, the foreign minister stressed that for the first time in the history of the country (Guatemala became independent in 1821), the various Indian ethnic groups can now make their voices heard at the State Council, the body that governs the nation.

"The current stage in Guatemala is critical; there is much, very much to be done in our country," the foreign minister said.

On the conflict with Belize, Guatemala maintains its reservations about the independence that was "unilaterally" granted to the territory by Great Britain.

According to the minister, the way in which the independence was granted violated international laws. Thus, Guatemala does not recognize the state, sovereignty or borders of Belize, nor does it recognize it as a member of the United Nations.

As for Central American policies, Castillo Arriola said that his country seeks rapprochement with all countries in the area, with absolute respect for the principle of non-intervention in other states' internal affairs.

Meanwhile, Juan Carlos Delpree Crespo, the Guatemalan diplomat who is currently the charge d'affairs at the Guatemalan mission at the United Nations, denied press reports that the Guatemalan Army raids Indian camps on the Mexican border.

At the Latin American level, the foreign minister reaffirmed Guatemala's faith in the inter-American system and said that Latin America will be in a position to achieve full development by strengthening hemispheric relations within the OAS framework.

On the Malvinas Islands dispute, the Guatemalan foreign minister said that, along with 19 other countries, Guatemala supported the resolution that was submitted to the UN General Assembly with a view to working out a just and dignified settlement between Argentina and Great Britain.

Finally, Castillo Arriola thanked all governments and international organizations for the assistance they gave Guatemala following the recent floods there.

AMNESTY INTERNATIONAL CITES 'MASS EXECUTIONS'

PA122240 Paris AFP in Spanish 0047 GMT 12 Oct 82

[Text] San Jose, 11 Oct (AFP) -- Amnesty International charged today that in only 4 months of government, General Rios Montt's regime has brutally massacred more than 2,600 Guatemalan Indians and peasants, within the framework of its counterinsurgency programs.

A report released by this humanitarian organization in Costa Rica says that between March -- when General Rios Montt rose to power after staging a coup -- and July, the new regime's military and "civil defense" forces perpetrated "mass executions" on at least 112 occasions.

The report adds that during this period, government forces "destroyed villages and tortured and mutilated the local people," a policy that, according to the information obtained by this organization, "has continued in recent months."

As for the cruelty and barbarism with which the new regime has acted, Amnesty International says that on 5 April, in an Indian village in Quiche, "troops took all of the inhabitants to the courthouse; they then raped the women, cut off the men's heads and killed the children by beating them against the rocks of a nearby river."

"Other incursions carried out on the same day left an aftermath of 100 dead in the village of Mangal and 35 dead in Covadonga. In other places, the people were burned alive in their huts, killed with machete blows or machinegunned," the report adds.

The report notes that in the course of its much-touted struggle against the Marxist guerrillas, General Rios Montt's regime "has evicted all of the local people from various zones where it was learned insurgents operated. Many were killed and others were driven away."

Amnesty International also denies official reports "that say that the dead are guerrillas who fell in combat with the government forces or civilians killed by the guerrillas."

"The government is responsible for a large-scale program of murder of unarmed civilians in rural areas," the international organization charges.

The report gives a severely lashing to the new Guatemalan Government, which, from a "Christian viewpoint," as General Rios Montt claims, is fiercely fighting the guerrillas while trying to improve the country's international image by eliminating abuses in the area of human rights.

The well-known excesses committed by the Guatemalan Armed Forces in this area forced the United States to suspend all military and economic aid to the ousted regime of Gen Fernando Romeo Lucas in 1977.

Amnesty International earlier denounced a detailed program of political assassinations, perpetrated by the death squads but directed from the government's offices.

Amnesty International's new revelations on the decline in the human rights situation in Guatemala under General Rios Montt's regime have had an even greater effect on international public opinion because of the total ban in the country on reports concerning military actions; the only reports that are allowed to disseminate are those released by the government.

ARMY REPORTS 6 GUERRILLAS KILLED IN CLASH

PA120433 Panama City ACAN in Spanish 0109 GMT 12 Oct 82

[Excerpt] Guatemala City, 11 Oct (ACAN-EFE) -- A military patrol has clashed with guerrillas in the municipality of Uspantan, in Quiche Department, west of the Guatemalan capital, resulting in the death of 6 rebels, the Army Public Relations Office reported today.

According to the official communique, the armed clash occurred on Saturday, at 2100 (0300 GMT) near the township of Playa Grande.

In that same region, the military communique added, the armed forces discovered two left-wing camps, in which they seized a large quantity of weapons, foodstuffs and medicines.

ARMY TAKES CHARGE OF 3,500 PEASANT REFUGEES

PA110404 Paris AFP in Spanish 1828 GMT 10 Oct 82

[Text] Guatemala City, 10 Oct (AFP) -- Approximately 3,400 Guatemalan peasants who lived for months in the mountains to escape the violence in the western highlands of the country sought refuge in Choatalum village in the region of San Martin Jilotepeque, military sources announced today.

The army claims to have taken charge of the refugees, many of whom were "forced by the subversives to stay for months in the mountains," according to accounts given to the press.

A group of newsmen was taken by [words indistinct] to Choatalum to confirm the situation of the peasants and the attention they are being given.

Domingo Mateo, the mayor of the small village that has now become a refugee camp, told newsmen he is awaiting the arrival of 1,500 more refugees who are now in nearby regions.

The refugees appeared on television to request aid, including food, clothing and medicines, as well as shelter and land to work.

Many of those interviewed affirmed that the "guerrillas" forced them to go with them, and in broken Spanish they explained that "we were deceived."

Some said that they had left with subversive groups "to save our lives," while others simply indicated that they were fleeing the general violence in the region and had wandered for months through the mountains.

The physical state of the refugees is deplorable, and many of them appear to be undernourished and have various skin diseases.

UNIVERSITY PROFESSOR KIDNAPPED 8 OCTOBER

PA120421 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 11 Oct 82

[Text] Roberto Medina, professor at the University of San Carlos of Guatemala School of History, has been kidnapped by several men dressed in civilian clothes. They intercepted him as he was approaching his car, parked at the school of history parking lot, on his way to another building on the campus. The incident reportedly occurred on Friday evening.

Medina's whereabouts have not yet been determined. Meanwhile, University of San Carlos of Guatemala authorities have expressed concern over the fact that several similar incidents have occurred in recent weeks among members of the university faculty.

Another professor, who has been identified as Eduardo Mendia (Vasquez), has been missing since 3 October.

MATHEU TERMS ARGENTINA, CHILE TALKS 'SUCCESSFUL'

PA122255 Panama City ACAN in Spanish 1835 GMT 12 Oct 82

[Text] Guatemala City, 12 Oct (ACAN-EFE) -- Today Guatemalan Economy Minister Julio Matheu Duchez described his recently completed visit to Argentina and Chile, in which he sought new markets for Guatemala's products, as "successful." Matheu Duchez added: "Fundamentally, the purpose of the trip was to open new markets for Guatemalan exports and to seek closer trade relations with these two countries. This was achieved in a positive way and its practical effects will be seen toward the end of the year, in the coffer trade."

The minister said that he signed an agreement for trade exchange in Buenos Aires that will allow the export of Guatemalan products, especially coffee and sugar.

The Guatemalan delegation met with Argentine President Gen Reynaldo Bignone, as well as with Jorge Wehbe, finance and economy minister; and Luis Gotiel, industry and mining secretary. Matheu Duchez also met with private sector representatives.

On 28 October, an Argentine business delegation will visit Guatemala to establish a list of products for inclusion in the bilateral agreement.

Minister Matheu also met with Central Bank of Argentina representatives and discussed the continuation of $15 million in credits, which may be increased if commercially required.

Matheu said that his 4-hour visit to Santiago de Chile was not planned initially, but that he took advantage of his stay in Argentina to visit the neighboring country and to seek the same trade agreements.

The minister added that his introduction of Guatemala's export products to the Chileans has produced a promising outlook for this Central American country's economy.

TRADE AGREEMENT SIGNED WITH COSTA RICA

PA112228 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 11 Oct 82

[Text] Guatemala and Costa Rica have reached an agreement to permit the importation of products that had not been included in their list of preferential products. The agreement was reached in San Jose, Costa Rica, where (Carlos Enrique Orantes), deputy economy minister in charge of Guatemala's integration affairs, traveled to meet with his Costa Rican counterpart, Odalier Villalobos.

As a result of these talks, Costa Rica agreed to import corn and rice cereals, batteries and tomato juice. Costa Rica will pay for these imports with dollars, at the interbank exchange rate.

For its part, Guatemala agreed to resume imports of electrical appliances manufactured in Costa Rica.

At another meeting between the two deputy ministers to be held in about 3 weeks, it will be determined whether this agreement will function as part of the free trade system or if a yearly export quota system is to be established.

HONDURAS

COMMUNIQUE ON PAZ BARNICA-D'ESCOTO MEETING

PA121547 Tegucigalpa Domestic Service in Spanish 1130 GMT 12 Oct 82

[Press release issued by the Honduran Foreign Secretariat in Tegucigalpa on 11 October -- read by announcer]

[Text] The Honduran Permanent Mission to the United Nations, headed by Ambassador Enrique Ortez Colindres, distributed a press communique yesterday to all delegations of the UN member states and governments presently participating in the UN General Assembly.

That document was also distributed to the various information media and international press agencies accredited to the United Nations in New York.

That communique reads as follows:

Honduran Permanent Mission to the United Nations; Press Communique, 9 October 1982;

Meeting Between the Honduran Foreign Secretary and the Nicaraguan Foreign Minister at the UN General Secretariat.

On the afternoon of 8 October, Honduran Foreign Secretary Edgardo Paz Barnica met with Nicaraguan Foreign Minister Miguel d'Escoto at the UN General Secretariat to discuss matters of common interest and regional topics on occasion of their presence at the UN General Assembly.

This meeting was held at the initiative of UN Secretary General Javier Perez de Cuellar. Honduran Foreign Secretary Edgardo Paz Barnica expressed his appreciation for the opportune invitation by the UN secretary general and said that, in addition to other meetings and initiatives currently underway for the analysis and solution of the Central American problem, the invitation was a positive factor toward peace in Central America.

After the meeting arranged by Perez de Cuellar, Foreign Secretary Paz Barnica said that the discussion with Foreign Minister d'Escoto was frank and cordial. Paz Barnica added that D'Escoto expressed a desire for peace and for dialogue with Suazo Cordova's government to find lasting solutions within a regional and worldwide context, which is what the Honduran Government's peace proposal for Central America urges.

Foreign Secretary Paz Barnica said that the recent meeting in Costa Rica in which the nine regional countries participated established a regional mechanism for consultation which should be strengthened and expanded in view of the objectives for peace and democracy on which it is based.

As to bilateral relations, Foreign Secretary Paz Barnica said that we clearly stated the suitability of having another meeting between the Honduran and Nicaraguan foreign ministers as soon as possible and of continuing the meetings between the two countries' military chiefs which had been planned in an effort to prevent territorial and maritime incidents.

In the opinion of the Honduran foreign secretary, his talks with the Nicaraguan foreign minister at the United Nations demonstrate to the international community that his government believes in dignified dialogue as the means to find appropriate solutions to conflicts between states. He also believes that the problems of the strife-torn Central American area should be considered in a worldwide and regional context. He added that Honduras is categorically in favor of peace and, therefore, observes in its international policy the principles of nonintervention and respect for the people's right to self-determination as the basis for a democratic and pluralistic form of government.

REFUGEE OFFICIAL ON 'COUNTERREVOLUTIONARIES'

PA120426 Panama City ACAN in Spanish 1718 GMT 11 Oct 82

[Text] Tegucigalpa, 11 Oct (ACAN-EFE) -- Col Abraham Garcia Turcios, coordinator of the Honduran Commission for Refugees, has admitted here that there are "counterrevolutionaries" among the Nicaraguan refugees who live in Honduras, but he denied that they are participating in armed actions against Nicaragua.

"It would be very difficult for the refugees to participate in attacks against the government of Managua because the camps are closely watched by the army and they are quite far from the common border," Garcia Turcios explained.

He added: "To deny the presence of counterrevolutionaries among the 12,000 Nicaraguan refugees would be not to face reality."

The official indicated that the position of the Honduran Government regarding the refugees is very difficult "because none of the refugees who enter the country is branded as a guerrilla or counterrevolutionary."

LOCAL OFFICIAL ON NICARAGUAN EXILES' ACTIVITIES

PA121845 Managua Radio Sandino Network in Spanish 1200 GMT 12 Oct 82

[Text] (Marcial Coleman), police magistrate of Puerto Lempira, noted yesterday that there is no doubt the increase in military activities of Nicaraguan exiles in Honduras and said that an unprecedented invasion of Nicaragua is in the offing, thus belying official disclaimers of such activities.

Reports frequently indicate that Puerto Lempira, seat of the Gracias a Dios Department, is a center of operations of the Nicaraguan counterrevolution, which gets supplies from a U.S. Air Force Hercules plane, (Coleman) stressed. The police magistrate's two brothers, (Lincoln) and (Guadalupe), disappeared several weeks ago, presumably because they denounced the counterrevolutionary activities in Honduras.

The Honduran police official said also that the counterrevolutionaries have split into three irreconcilable groups: the group led by Steadman Fagoth Muller, that of Brooklyn Rivera and the group of the so-called Commander (Bravo), who has assumed the name of (Pablo Emilio Salazar).

(Coleman) added that since the second half of September it has been apparent that barricades are being built and ditches are being dug along the border.

NICARAGUA

NEW ANTI-SANDINIST ATTACK FROM HONDURAS REPORTED

PA130117 Panama City ACAN in Spanish 2150 GMT 12 Oct 82

[Text] Managua, 12 Oct (ACAN-EFE) -- Nicaraguan officials reported today that their territory came under attack for 4 and 1/2 hours by anti-Sandinists, firing mortars and 50-cal machineguns from Honduras. The Nicaraguan Foreign Ministry has issued a new protest note as a result.

The protest note, addressed to the Honduran Foreign Ministry, says that the attack came from the Honduran settlements of El Anonal and La Guaruma, in Choluteca Department.

The attack, lasting from 0615 to 1050 (1215-1650 GMT), was aimed at the Nicaraguan borderposts at La Fortaleza and La Zopilota, in the northern department of Chinandega.

The note says that 2 hours after the attack began, the anti-Sandinists entered Nicaraguan territory, protected by mortar fire from the area of El Anonal and La Guaruma.

As a result of the attack, four mortarshells fell on the settlement of San Pedro de Potrero Grande in Chinandega Department, injuring a soldier, Rigoberto Narvaez.

The Nicaraguan Foreign Ministry says that the residents had to be evacuated due to the military attack.

MALMIERCA SPEAKS AT UN, CRITICIZES U.S. POLICY

PA090144 Havana International Service in Spanish 0000 GMT 9 Oct 82

[Text] Cuba has warned the UN General Assembly that mankind's survival is endangered because of the arms race unleashed by the United States and has charged that a world war could break out in Central America. Cuban Foreign Minister Isidoro Malmierca, speaking at the 37th session of the UN General Assembly, said that imperialist plans are closely linked to the policy of unrestrained armament.

He recalled that the Latin American foreign debt for this year will amount to approximately $300 billion, and spoke of the subhuman living conditions experienced by a great majority of the population. He stressed that this state of permanent inequality is the main cause for the social upheaval in Central America.

The Cuban foreign minister stated that Washington, blinded by foolishness and a lack of realism, rejects dialogue for a negotiated political solution to the Central American conflict, and that it is preparing for an armed intervention to try and prevent the revolutionary triumph in El Salvador and drown the revolution in Nicaragua in blood. The foreign minister added that if the U.S. intervenes military in El Salvador or Nicaragua, it will mean a new Vietnam because the peoples of Augusto Cesar Sandino and Farabundo Marti will know how to defend their national independence and their right to be free.

In another part of his speech before the UN General Assembly, Malmierca reiterated Cuban support for Argentine sovereignty over the Malvinas Islands. He also mentioned other international conflicts and pointed out that the Zionist massacre in Lebanon is a direct consequence of Washington's policy.

Malmierca affirmed that South Africa's occupation of part of the Angolan territory and the repeated armed attacks against Angola are why Cuba has to keep internationalist forces in that country. Malmierca added that the withdrawal of the Cuban forces from Angola will be done at the sovereign decision of the Angolan Government once all possibilities of aggression or armed invasion have ended.

Further Statements

FL091145 Havana Domestic Service in Spanish 2300 GMT 8 Oct 82

[Text] U.S. intervention in Nicaragua or El Salvador would create a new Vietnam, Cuban Foreign Minister Isidoro Malmierca warned today in a speech before the 37th session of the UN General Assembly, which he dedicated to the memory of Commander Ernesto Che Guevarra.

The situation in Nicaragua, Honduras and El Salvador, the crisis in Lebanon, the problems in southern Africa, the British-Argentine conflict in the South Atlantic, the controversy between Guyana and Venezuela, the threats against Grenada and the colonial case of Puerto Rico were addressed in Malmierca's speech.

The Cuban foreign minister reiterated our country's solidarity with the causes of the peoples of Grenada and Puerto Rico. He called for the fulfillment of the Panama Canal agreements, an outlet to the sea for Bolivia and a negotiated settlement to the Guyanese-Venezuelan dispute over the Essequibo region.

The Cuban minister told the UN General Assembly that the OAS and the Inter-American Reciprocal Assistance Treaty, which were established on bases of pharisaism, had sunk without dignity in the South Atlantic, unlike the crew of the warship General Belgrano.

Elsewhere in his speech, Isidoro Malmierca emphasized that the South African occupation of a portion of its neighbor's territory and the repeated armed attacks by Pretoria against the Angolan people's armed forces are responsible for the presence of Cuban soldiers in that country.

In this respect, he added that the withdrawal of Cuban troops will be based on the sovereign decision of the Angolan Government after any possibility of foreign aggression has ceased there.

The Cuban foreign minister added that the Israeli killing of Lebanese citizens and Palestine refugees in Beirut is the direct result of U.S. policies. Malmierca criticized the U.S. arms race, based on the premise that a limited nuclear conflict can be won.

In his speech to the 37th UN General Assembly session, the Cuban foreign minister also accused the United States of preparing the conditions for an armed intervention in El Salvador to prevent a revolutionary victory and to drown the Nicaraguan revolution in blood. This is the spirit of the Symms Amendment recently approved by the U.S. Senate, he said.

The Cuban representative said the Reagan administration rejects the dialogue and a negotiated political solution in Central America out of stupidity and lack of realism. He added that the progressive social inequality is the principal cause of the insurgency shaking Central America today.

[Havana Domestic Service in Spanish at 2005 GMT on 8 October reported that in his speech before the 37th UN General Assembly sessions, Malmierca condemned the aggressive Washington policy in Latin America. He pointed out that the U.S. Senate had recently passed the so-called Symms Amendment to try to sway world public opinion to oppose what the United States calls the Cuban threat in the hemisphere. In reality, Malmierca stressed, the United States is prepared to use Honduras as a shock force against Nicaragua and the Salvadoran patriots."]

UN AMBASSADOR REPLIES TO U.S. DELEGATION

PA121935 Havana International Service in Spanish 1600 GMT 12 Oct 82

[Text] On Monday, Cuba reiterated its charges against the United States at the United Nations for imposing a total economic embargo on the Caribbean island for 23 years, as well as for Washington's attempts to obstruct Cuban trade.

Exercising the right to rebuttal, Cuban Ambassador Rolando Lopez del Amo told the UN General Assembly that Washington's example degrades the Western Hemisphere and the rest of the world.

The U.S. delegation had previously replied to the speech delivered by Cuban Foreign Minister Isidoro Malmierca on 8 October with a series of assertions which combined ill-intentioned distortion and the most unusual lies.

Lopez del Amo recalled that in June this year, the Coordination Bureau (of the Nonaligned Movement) recognized Cuba's dedication, efficiency, and strict adherence to the principles governing this group throughout the 3 years it has held the bureau's presidency.

Regarding the U.S. evaluation of Cuba's internationalist policy, Lopez del Amo said that what bothers Washington is that front line countries have rejected the blackmail of U.S. and South African authorities, who have tried to tie Namibia's independence to the withdrawal from Angola of Cuban troops, who are there in solidarity with Luanda's government.

After stressing that there is no unemployment or hunger in Cuba, that education and health services are free and that all elderly Cuban citizens are guaranteed food, he compared these achievements with the high unemployment rate, the cuts in social security benefits, the increase in taxes and the growing military budget characteristic of the U.S. economy. We have no luxuries, nor do we need them, but we do guarantee a dignified life for each Cuban, Lopez del Amo emphasized.

U.S. ACCUSED OF AGGRESSION IN CARIBBEAN

FL122032 Havana Domestic Service in Spanish 1907 GMT 12 Oct 82

[Text] In Prague, Cuban Trade Union Leader Juan Atrel Echevarria today denounced an increase in the number of provocative U.S. maneuvers against Cuba and other Central American and Caribbean countries.

In a speech before the seventh international union congress of public workers and similar professions, the chief of our country's delegation requested the most energetic condemnation of the crude Yankee aggressions from all participants.

The secretary general of our country's communications workers charged that the Symms Amendment approved by the Yankee Congress attempts to justify a possible U.S. armed action against Central America and the Caribbean. Juan Atrel Echevarria noted that in the face of the U.S. aggressiveness, there is a need for a struggle for peace by all.

HONDURAS VIEWED AS U.S. 'STRONG CARD' IN AREA

FL121737 Havana Domestic Television Service in Spanish 1240 GMT 12 Oct 82

[International current events commentary by Fernandez Vilela and Miguel Toirac]

[Excerpt] [Toirac] As you all know, the situation in Central America, Nicaragua specifically, has been the object of close scrutiny for the last several months. According to international news dispatches, a meeting held a few hours ago at the United Nations between the foreign ministers of Nicaragua and Honduras apparently failed in an effort to set a date for Honduran Foreign Minister Edgardo Paz Barnica to visit Managua.

The meeting was proposed by Nicaraguan Foreign Minister Miguel d'Escoto, who told his Honduran colleague of the need to discuss the problems that exist between the two countries and suggested the visit to Managua on 1 November. It was reported that Paz Barnica took a hard stand and refused to discuss the matter.

I believe that this is part of the plan of the imperialist interests in the region to harden rather than soften the situation against Nicaragua.

[Vilela] It is clear that high-ranking Honduran officials have repeatedly avoided beginning the talks so often proposed by Nicaragua, since this is not the first time. It should be pointed out that Honduras never rejects an invitation outright, but simply makes excuses, avoids setting a date and claims that it has more important matters to deal with. The result is that no meeting is ever held. I believe this is done to disguise the principal objectives assigned to Honduras by the Reagan administration.

Therefore, we are not surprised with a report that we received this morning citing Honduran military sources as saying that the United States is at this moment considering sending combat planes to Honduras as a precaution against an eventual attack from Nicaragua.

The plans could be based at the illegally occupied base of Guantanamo or in the Panama Canal, from where they would provide air cover for the Honduran Army. If we correlate this to the accelerated construction of an air and naval base on Amapala Island [as heard] in the Gulf of Fonseca, which is shared with Nicaragua, and other military installations under construction in Honoduras in addition to the increased U.S. economic aid and arming of the Honduran Army, we can see that the United States is playing Honduras as a strong card.

ROA ADDRESSES UN DECOLONIZATION COMMISSION

FL121325 Havana Domestic Service in Spanish 1200 GMT 12 Oct 82

[Text] Raul Roa Kouri, Cuban ambassador to the United Nations, has called the selection of our Cuba to chair the Fourth UN Commission for Decolonization as a recognition of Cuba's dedication to anticolonialism.

In a speech to the commission's first session, the Cuban representative said the majority of the commission's members and the Cuban delegation are united by a past of intense struggles to break free from the colonial yoke.

Roa referred to the grave present international situation characterized by the intensification of economic and armed conflicts which, according to responsible observers, he said, could lead to the destruction of mankind.

CASTRO GREETS SRV'S TRUONG CHINH UPON ARRIVAL

FL122131 [Editorial Report] Havana Domestic Television Service in Spanish at 2025 GMT on 12 October covers live from Havana's Jose Marti International Airport the arrival of Truong Chinh, member of the Vietnamese Communist Party Political Bureau and chairman of the Council of State of the Socialist Republic of Vietnam, who is visiting Cuba at the invitation of Cuban President Fidel Castro.

As coverage begins, an Aeroflot Il-62M aircraft carrying Truong Chinh and his delegation has just landed at 2053 GMT. A group of Cubans waving Cuban and Vietnamese flags are assembled on the tarmac and balcony of the terminal building.

As the airliner stops in front of the terminal building, President Fidel Castro, accompanied by several unidentified Cuban officials, walks toward the aircraft. At 2059 GMT, Truong Chinh and his delegation descend the ramp. The Cuban and Vietnamese leaders embrace at the foot of the ramp while other members of the delegation shake hands with Cuban officials present at the airport.

The two leaders stand at attention on the tarmac while the army band plays the national anthems of Cuba and Vietnam and an artillery unit fires a 21-gun salute. The two leaders inspect the guard of honor, shake hands with Cuban party and government officials and members of the diplomatic corps who are standing in the receiving line.

The Cubans assembled on the tarmac and terminal building terrace chant slogans of friendship welcoming the Vietnamese leader.

At 2112 GMT, Castro and Truong Ching review the army band and guard of honor. The welcoming ceremony concludes at 2115 GMT with the two leaders and their entourages getting into limousines and departing the airport.

FOREIGN TRADE MINISTER ENDS VISIT TO ROMANIA

FL081508 Havana Domestic Service in Spanish 1410 GMT 8 Oct 82

[Text] Cuban Foreign Trade Minister Ricardo Cabrizas today concluded an official visit to Romania which began on 3 October. During his stay in Bucharest, Cabrizas and his Romanian counterpart, Nicolae Constantin, reviewed the fulfillment of the 1982 trade protocol between the two countries. They also set out the preliminary bases for the 1983 protocol.

The Cuban minister visited several industrial installations in Bucharest, the Romanian capital, as well as in provinces. Cabrizas also met with Romanian Prime Minister Constantin Dascalescu and Vice Prime Minister Ion Patan [as received], who is also minister of technical material supply and control of the management of fixed assets. He also headed Cuba's delegation to the opening of our country's pavilion at the Bucharest fair.